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Poland

PAP reports that Waldemar Pawlak was dismissed from the post of prime minister by the Sejm, and Hanna Suchocka's nomination as prime minister was approved on 10 July. Warsaw radio later reports that President Lech Walesa held a news conference in which he assessed the choice of Hanna Suchocka as prime minister. He stated that she was a "good choice," but "he stressed that he still thought the solution with Waldemar Pawlak would have been better."

Yugoslavia

International—In a Helsinki news conference carried by Belgrade TV, Milan Panic, prime minister-designate of the FRY, stated that according to the new Yugoslav Constitution "I have power equal to what President Bush has in the United States, and President Milosevic has the power of a governor. I am going to do my job and let him do his, and God help him if he stands in my way."

According to TANJUG, the FRY Foreign Ministry has issued a statement that describes the declaration on Yugoslavia adopted at the CSCE summit on 10 July as being "unacceptable," and states: "The accusations about the primary responsibility of the F.R.Y. for the wars in the former Yugoslav Republics of Bosnia-Hercegovina and Croatia and the jeopardizing of the rights of minorities are incorrect, groundless and unjust." The statement continues: "The CSCE declaration overlooked the fact that top officials of the Moslem authorities have persistently refused to take part in the continuation of the conference on Bosnia-Hercegovina under the auspices of the European Community and thus blocked the search for a peaceful solution to its crisis for some time."

Czechoslovakia

According to CSTK, Czechoslovak President Vaclav Havel said that "his days as the president of Czechoslovakia are probably numbered," and his visit to Helsinki was the "last in his capacity as president." In a later report carried by Prague radio—in which he viewed his Helsinki visit—Havel commented: "The danger of instability exists and is much more apparent than in 1990," and "stressed that the West should not just sit back in bewilderment and watch how it all ends."

Bosnia-Hercegovina

TANJUG reports that following the visit of Turkish Foreign Minister Hikmet Cetin, Presidency President Alija Izetbegovic said "I believe there will be a foreign intervention in Bosnia-Hercegovina, but not soon." Before his departure, Cetin stated that Turkey "was prepared to help so the situation...could change for the better, so that war could be stopped and life returned to normal."

Romania

According to a Ministry of Transport communique, cited by ROMPRES, Romania's sea and river ports and Danube River traffic have been placed under the "direct control" of the Transport Ministry, which has been charged with surveying implementation of the UN embargo on Yugoslavia. "Thirteen checkpoints have been established to ensure the complete surveillance of the operation and traffic on the Danube of all ships, irrespective of the colors under which they sail."

Berisha Reviews Activities at CSCE Summit

AU1107193892 Tirana Radio Tirana Network in Albanian 1730 GMT 11 Jul 92

[Statement to reporters by President Sali Berisha at Rinas Airport in Tirana on 11 July—recorded]

[Text] I wish to stress, first, that the Helsinki Conference, or Helsinki-2, was of exceptional importance for Albania and the entire international community. It gathered representatives from about 52 states, which is a very positive fact [words indistinct] freed from communism, found membership regardless of their geographical position, which shows that democracy means integration and is an open road for all those who have the will to build a free-enterprise society.

I can say that Albania's place at this conference was a dignified one. I can put it in the words of a distinguished delegate, who said that the short interval of time since the moment when Albania signed the Helsinki Act and the great changes the country has undergone best show the scope of the Helsinki Act and Albania's will and determination to follow the road of democracy.

I would say that the Albanian cause also assumed new dimensions at the Helsinki conference with the declaration on the former Yugoslavia, which the conference adopted or approved by consensus, in which Kosovo emerges as a special problem and the Serbian government is asked to stop its repressive measures immediately. The declaration asks for the establishment of dialogue between Albanian political forces and the Serbian government in the presence of a third party in order to study ways and means to solve the problem.

Similarly, we had many meetings in Helsinki with heads of state, prime ministers, foreign ministers, and distinguished personalities, beginning with the host president of Finland; EEC Commission Chairman Jacques Delors; U.S. President George Bush and Secretary of State Mr. Baker; German Chancellor Helmut Kohl and Foreign Minister Kinkel; French President Francois Mitterrand; British Prime Minister John Major and Foreign Secretary Douglas Hurd, who will soon visit Tirana; Austrian Chancellor Vranitzky and Foreign Minister Alois Mock; Greek Prime Minister Mitsotakis; Spanish Prime Minister Gonzalez; Portuguese Prime Minister Cavaco; Presidents Walesa and Havel; Turkish Prime Minister Suleyman Demirel; and the Netherlands prime minister and foreign minister. I also met with the leader of the Italian delegation, Foreign Minister Scotti; the leader of the Swiss delegation; Mrs Lalumiere, secretary general of the Council of Europe; and many distinguished people who were taking part in the Helsinki conference.

At all these meetings, we encountered complete readiness to give Albania economic, financial, and technical aid to successfully accomplish the reform on which the country has embarked. I observed with satisfaction at these meetings that those I spoke with were well-informed about Albania's difficulties, but they all expressed the belief that Albania is following the right road and that they themselves are directly interested in the stabilization of democracy and the success of the reform, a reform that is the sole road whereby Albania can build a society of free initiative and a market economy. [passage indistinct]

I am sure that after this conference, a whole range of new relationships will be created between Albania and the organization's member-states.

Berisha, Bush Discuss Support

AU1107194492 Tirana ATA in English 0759 GMT 11 Jul 92

[Text] Tirana, July 11 (ATA)—In the context of summit on European security and cooperation in Helsinki, Albanian President Sali Berisha met with U.S. President George Bush and Secretary of State James Baker. President Bush and Secretary of State James Baker reiterated the support of the U.S. Administration for the new Albanian democratic government. They assured him of the U.S. help for the Albanian democratic government to solve the difficult economic and social problems inherited by the long-time communist regime.

Talks with President Bush focused on the Kosovo issue. President Bush and James Baker aired their readiness to help Albania on the road of switching onto market economy and establishing a democratic society.

In all his meetings Albanian president talked on the question of Kosovo. He aired Albanian views to the solution of this problem as concrete action to prevent conflict. He also said that Ibrahim Rugova must be present at the roundtable and international committee should bear in mind that no agreement between Serbs and Albanians can be attained without international assurance and supervision .

On July 10 President Berisha had a news conference with reporters. He aired his concern on the possible outburst of violence in Kosova.

Cultural, Education Agreements Signed With France

AU1107194892 Tirana ATA in English 0824 GMT 11 Jul 92

[Text] Tirana, July 11 (ATA)—On July 10, several agreements were signed at the Ministry of Foreign Affairs between the Government of the Republic of Albania and the Government of the French Republic, in various fields as in technical assistance, law, culture and education etc. for a two-year period.

These agreements envisage concrete objectives of aid France will give to Albania on pilot projects in the field of industry, agriculture, communications, assistance and qualification in the field of jurisprudence. Alongside this, a center of French culture will be set up in Tirana, further steps will be undertaken to improve and spread

the French language, scholarships will be given, etc. These agreements also foresee assistance in the field of radio-television, cooperation among the cities' municipalities, etc.

For the Albanian party the agreements were signed by the deputy minister of education, Mr. Vasillaq Zoto, and for the French party by the ambassador extraordinary and plenipotentiary of the French Republic to the Republic of Albania, Jacques Foure.

Democratic Party Rally Opens Election Campaign

AU1107194292 Tirana Radio Tirana Network in Albanian 1730 GMT 11 Jul 92

[Franko Egro report on Democratic Party rally in Skenderbeg Square in Tirana on 11 July—recorded]

[Text] [Amid sounds of cheering, Democratic Party Chairman Eduard Selami is heard saying: "This is the campaign marking the end of the struggle against communism"] With these words, Eduard Selami addressed thousands of citizens of Tirana who came to Skenderbeg Square this afternoon to attend the rally organized to mark the start of the local election campaign.

Greeting the people of Tirana, the Democratic Party chairman emphasized once again the resolve that there will be no backward glances in the coming elections. Tirana has always been ardent in its support of the Democratic Party and has been the vanguard of democracy in Albania, and will once again say no to communism in the 26 July elections.

Selami later said that, recognizing the difficult beginning, we must not look gloomily at our prospects for the future. We must remind those who listen to the siren songs of whiners and pessimists that during the most savage days of communist dictatorship, they listened to siren songs of prosperity and happiness. Albania no longer suffers under dictatorship and is sure on her road to freedom and prosperity. With patience and work, we will very soon see the fruits of democracy.

After Selami's speech, many actors, dancers, and comedians gave an enjoyable performance for those present in Skenderbeg Square.

Zhelev Returns From Helsinki, Assesses Results

AU1007193692 Sofia Khorizont Radio Network in Bulgarian 1900 GMT 10 Jul 92

[Text] About one hour ago President Zhelyu Zhelev and the other officials who took part in the CSCE summit returned from Helsinki. Zhelev made the following statement to reporters at Sofia Airport:

[Begin recording] I think that the results of this meeting may be generally summarized as good, although certain concrete decisions that we wanted to be adopted and that our delegation tried to obtain did not come to pass. Evidently, there are other things that still have to be prepared. I think, however, that we are getting very close to settling the combinations of contradictions, military conflicts, and bloodshed in different parts of Europe.

Our delegation did the most that could be done. Last night we even spoiled the dinners of the senior officials, who were compelled at our request to work until midnight examining the Dniester Region issue and our proposal for resolving the conflicts there. We demanded that a special foreign ministers meeting be called to adopt a specific position on this issue. We took soundings and obtained a preliminary agreement on this. We obtained agreement from Yeltsin, Kravchuk, Shushkevich, Iliescu, and Snegur, but, unfortunately, the meeting did not come off in the end.

We had interesting bilateral meetings. The meeting with Kohl was one of the most interesting. We had a meeting with Bush, and we also had a series of meetings with representatives of the former Soviet Central Asian republics. These republics are seeking to establish contacts with us and to restore the old economic links. They are also making desperate efforts to move to a market economy and face various difficulties. [end recording]

Meeting With Balkan Foreign Ministers

AU1007174392 Sofia BTA in English 1428 GMT 10 Jul 92

[Report by BTA special correspondent Stefan Kozhukharov]

[Text] Helsinki, July 10 (BTA)—After the Helsinki summit ended, Bulgaria's Foreign Minister Stoyan Ganev invited the foreign ministers of the Balkan countries to a working luncheon.

Interviewed by journalists, Minister Ganev said that the talks were very useful. The Balkan foreign ministers met for the first time after the start of the tragic events in the region. The ministers had the opportunity to establish direct contacts, Mr. Ganev said. It is the shared opinion of the participants that a number of chances to resolve the Yugoslav crisis have been missed and that the bloodshed must be stopped the soonest possible. This can be achieved through negotiating a peaceful settlement of the crisis. The foreign ministers considered the idea of French President Francois Mitterrand to hold an international peace conference with the participation of the Balkan countries.

Macedonia was the other topic of the discussion. The participants were interested in Bulgaria's position on the problem. They were happy to learn that Bulgaria does not seek the establishment of any special relations with Macedonia other than friendly and good-neighbourly ones. Bulgaria does not want to burden present-day international relations with the historical past, except for drawing a lesson from it, Mr. Ganev told the meeting.

The Bulgarian foreign minister posed the question of the future state-to-state relations in the Balkans. He pointed out that the fundamental elements of peace and stability should be outlined. All participants agreed that the promotion of the Helsinki process in the peninsula is the future of the Balkans.

The foreign ministers came to an agreement to continue their efforts for the achievement of this end by holding a multilateral expert meeting at an early date.

Ganev Reaffirms Views on Yugoslavia, Dniester

AU1107191792 Sofia BTA in English 1848 GMT 11 Jul 92

[Text] Sofia, July 11 (BTA)—"Bulgaria's stand remains unchanged," Bulgarian Foreign Minister Stoyan Ganev stated in an interview for national television tonight, replying to a question whether Bulgaria might possibly join a peace-keeping operation in Yugoslavia.

"Bulgaria has explicitly declared itself for a peaceful solution to the Yugoslav crisis," Foreign Minister Ganev said. "When all other opportunities are exhausted, the UN Security Council and the CSCE might decide to send a peace-keeping operation as the last resort, but Bulgaria does not intend to join such operations neither with military troops nor armaments," Mr Ganev emphasized.

He repeated this statement once again in connection to the developments in the Dniester region. "We view the settlement of the crisis in Moldova and the developments in the Dniester region within the framework of the Conference on Security and Cooperation in Europe," Mr Ganev pointed out. In his words, Bulgaria is willing to participate actively in the search for a settlement to the problems, but only within the CSCE framework.

Chief of Staff Discusses Reform With Officers

AU1307104292 Sofia BULGARSKA ARMIYA in Bulgarian 29 Jun 92 pp 1,3

[By Colonel Engineer Veselin Stoyanov]

[Text] Friday, Saturday, and Sunday (26-28 June) were especially busy days for Colonel General Lyuben Petrov, chief of the Bulgarian Army General Staff. He spent them at meetings with the command staffs of the Air

Defense, Air Force, and the 3rd Army, at which the main topic was the concept for reform in the Bulgarian Army under discussion at the Council of Ministers. At a meeting with unit commanders at 1st Army headquarters on 28 June, Col. Gen. Petrov added his impressions from his meeting with Dr. Zhelyu Zhelev, president of the Republic, to what he has said at previous meetings. Prime Minister Filip Dimitrov, Defense Minister Aleksandur Staliyski, the president's entire staff of military advisers, and the prime minister's military adviser all took an active part in this meeting, which was devoted entirely to the reform in the Army and certain social problems that were creating tension among the troops.

With regard to the concept that he discussed at the Council of Ministers on 23 and 24 June, the chief of the General Staff noted that it was largely accepted in all the desired parameters, which will make it possible to keep to schedules for carrying out the reform.

All the ministers went into the various details of the reform with all seriousness and responsibility, and I am very pleased that our assessment of the military-political situation in the Balkans coincides with that held by the government, Col. Gen. Petrov stated later. For example, Minister Stoyan Ganev, who voiced his complete agreement with the concept, expanded upon various points in it and added that, given the military potential possessed by our southern neighbors, we must seek guarantees for our security in a policy of good-neighborliness, friendship, and cooperation. Without going into further details and specifics, Col. Gen. Petrov said, I want to stress that there are statesmen who have the country's security just as close to their hearts as we do.

The economic foundation for our concept will be created in stages, and we will proceed step by step in restructuring and redeploying the Bulgarian Army, the chief of the General Staff said. What does this mean? We have declared that it is impossible to ensure the financial course of the reform from the military budget; each year programs will be prepared, applications for money will be submitted, and the government will provide the necessary funds.

Without going into all the details, I would like to point out that during the first stage, we will complete the restructuring and redeployment of certain units, which will not require high financial expenditure. The second stage includes the modernization of weapons and equipment. We envisage completing the second stage, which will require far greater efforts and funds, by the year 2000. By then, we hope, the economy will be set on a firm footing, and we will be able to complete the reequipment with modern weaponry.

According to Col. Gen. Petrov, the ministers are truly convinced that the structures proposed by the Defense Ministry are the best ones possible; they emphasize the defensive nature of the Bulgarian Army and our military doctrine, and demonstrate the greater vitality and mobility of our defense. Whereas yesterday we regarded the southeastern sector as presenting a danger, today the northwestern sector might prove to pose a danger, so the problem of defining the potential enemy becomes more complex and doubtful.

The concept has been adopted by the Council of Ministers. This is what we wanted and it is already a fact, but does this mean that we can already carry out the reform without hindrance? To this rhetorical question the chief of the General Staff replied in the affirmative, immediately mentioning a proviso that is absolutely essential—namely, the adoption by the National Assembly of the Law on Defense and the Armed Forces.

The concept adopted by the Council of Ministers essentially confirmed the structure of the Bulgarian Army, and on this basis we will work out the staff establishments for the respective units and subunits. However, this can only be achieved in the proper manner if we have a new law and faultless juridical foundations for the reform, which will undoubtedly involve many aspects. It includes not only a restructuring and redeployment of troop formations, but also replacement of the military training system, replacement of the system for developing the officer cadres, and replacement of the system of mobilization—in general, radical changes that are aimed at improving the efficiency of all structures. The current law dates from 1958 and does not correspond at all to present-day realities or to our views on the reform.

In the absence of a new law, the reform will be a hodgepodge, Col. Gen. Petrov continued. I venture to state that the adoption of the law has been delayed for subjective reasons, which has compelled us to appeal to the president, prime minister, and the National Assembly to hasten adoption of the Law on Defense and the Armed Forces in order to do what all of the people and the soldiers of the Bulgarian Army want. I want everyone to clearly understand who is hampering the reform, so that no one believes the various rumors.

Furthermore, it is not only we who like the reform; all the foreign specialists who have acquainted themselves with it highly praise its structure, principles, and criteria and the directions for its implementation. Statements have appeared in the mass media on who is the father of the reform. I do not want to enter into petty quarrels with anyone, but will merely note that the entire officer corps took part in the drafting and discussion of the reform.

In the final analysis, the chief of the General Staff added optimistically, agreement already exists that this law will soon see the light of day, which will enable us to progress faster. Until then, we will continue to make preliminary preparations, and if the law is not adopted by 1 September, the deployments [razstanovki] will be carried out according to the previous structure and establishments.

The law that has existed until now is extremely unfair and the same applies to Article 71, this article regulates

our activities relating to manning levels for the time being, Col. Gen. Petrov commented. We have reached an understanding with the president, prime minister, and defense minister that changes should be made to this article in certain cases, which means that the defense minister has the right to retain certain officers after they have reached retirement age, for a maximum of two years. I will also state that we have also received strong demands from among the officer corps to apply Article 71 in an uncompromising manner, without the variations that we propose.

As chief of the General Staff I cannot agree with this, because even in its present form the Bulgarian Army is over 2,400 officers short, whereas under this notorious Article 71, over 2,300 officers should leave the Army. You can imagine for yourselves what this would mean! In addition, a blank year was suggested for the military schools and the Military Academy—a very badly thought-out notion, which we managed to avert, because even now very few officers are graduating. This year, interest in the military schools is understandably very low. Let us consider what this will mean in two, three, or five years. By then I will no longer be around, but am I to instill such an attitude in the Army now?

It is true that the economy is the basis of everything, and I do not deny the importance of any of the laws adopted by the National Assembly. Nonetheless, I strongly believe that there is nothing more important than the security of our homeland, the chief of the General Staff declared in conclusion.

Col. Gen. Petrov gave concise and accurate answers to the questions put to him by the officers.

Navy Plans Personnel Cuts, Reduction in Fleet

AU1107171392 Sofia 24 CHASA in Bulgarian 2 Jul 92 p 4

[By Radostin Paprikov]

[Text] The "Concepts for the Future" drafted by the Bulgarian Navy staff intends to complete naval reform in two stages between now and 2000.

By 1993, the Navy should become a professional branch of service. Conscripts shall be reduced from 44 to 35 percent. Navy commanders are expected to "set free" 14 percent of the NCO's and 22 percent of the officers.

Some 36 combat vessels will be retired, leaving only 52 combat units. This includes eight movable medium-range missile installations, two or three submarines, and 11 missile cutters [raketni kateri].

The reductions and personnel cuts will not jeopardize national security and will even consolidate public trust in the contingent, said Rear Admiral Ventseslav Velkov, commander in chief of the Navy and head of the team that drafted the plan.

According to the plan, active contacts and cooperation with NATO should guarantee our future role in the Western alliance. Our high-ranking officers insist that they are relying on NATO as a guarantor for "preventing war as a menas of solving controversial questions." If Bulgaria joins NATO, the country would be surrounded by allies and partners, which is likely to guarantee our security and sovereignty, Velkov said.

The second stage of the reform, aimed at naval modernization "within the framework of defense sufficiency," is expected to be completed by 2000. The officers claim that they would demand only minimal resources from the state budget.

The Navy is firmly resolved to energetic combat against drug traffic and smuggling and to get involved in environmental protection and hydrometerology.

Opposition Memorandum Views Dangers for Democracy

AU1307080292 Sofia DUMA in Bulgarian 6 Jul 92 pp 1,2

["Anxiety for Bulgarian Democracy—A Memorandum Adressed to World Public Opinion by the Parliamentary Opposition"]

[Text] The Parliamentary Union for Social Democracy [PSSD] has prepared a memorandum on the negative trends in Bulgarian sociopolitical life that may set back the democratic process. It is aimed at attracting the attention of politicians, parliamentarians, and public opinion in the CSCE member countries.

The blocking of parliamentary debate, violations of human and civic rights, limitations of freedom of speech, revival of features of the police state, preparation of political trials, and rehabilitation of ultrareactionary and openly fascist elements and ideas are the main anxieties of the parliamentary opposition that are summarized in the seven sections of the document.

All 34 bills that the PSSD has submitted to the National Assembly have been blocked at the parliamentary commission stage, thus preventing their discussion by a full session of parliament, the memorandum states. Thus, the opposition deputies have been deprived of their right of parliamentary initiative. The parliamentary majority, which obtained the votes of only one-third of the electorate, is following a stubborn policy and imposing its will without any attempt to reach compromise or consensus. In the opposition's opinion, this encourages intolerance and political confrontation and gives rise to a threat to social peace.

Politically motivated dismissals and appointments are becoming a regular practice. Under conditions of mass unemployment, the threat of dismissal is used as a tool of political blackmail. The gates are opening for the employment of scare tactics characteristic of totalitarian regimes. The opposition deputies substantiate their

claims with a study conducted by the authoritative National Center for Public Opinion Research, according to which 35 percent of Bulgarian citizens are afraid of expressing their own opinions.

The reorganization of judicial power also prompts fears concerning its independence, impartiality, and efficiency, the document states later. People with dubious professional qualities or who deviated from professional and ethical standards during the totalitarian period have been appointed to leading positions in the judicial system. Such people, according to the PSSD, are easy targets for outside pressure and obedient tools of the centers of executive and political power.

The opposition declares that unofficial censorship has been restored in the national electronic media.

Telephone tapping and surveillance have been discreetly reestablished, as well as other secret police operations directed against political opponents. The memorandum states that for the first time since 10 November 1989, police duress is again being applied to deal with legitimate protests by citizens.

Psychological and moral pressure, directives, and practices borrowed from the Soviet legislation of the Vyshinskiy period are being utilized in the political trials now under preparation. In their scale, these trials have no precedent in the post-totalitarian societies of East Europe and, in the view of the PSSD deputies, are primarily directed against politicians who most actively participated in the events that marked the start of the democratic changes. Specific instances of corruption and abuse of power should be punished, but this has nothing in common with the attempts to represent normal political decisions as crimes or proof of criminal intentions, the document declares.

As an alarming symptom in the political trends, the document cites the bill for rehabilitating military criminals and the articles and reports in the semi-official press that justify Bulgaria's participation in the war on Hitler's side.

The PSSD expresses its readiness to support its conclusions with additional information and factual data. The alliance expects Western parliaments, governments, and public opinion, in conformity with normal international practice and the provisions of international agreements, to undertake practical steps to support human rights and fundamental values. The failure of democratic changes in East Europe and the CIS countries would have tragic consequences not only for the peoples in the region, but also for the whole of Europe and for global security and cooperation, the memorandum states in conclusion.

Meeting, Rally Mark Constitution Anniversary

AU1207171892 Sofia BTA in English 1557 GMT 12 Jul 92

[Text] Sofia, July 12 (BTA)—The one-year anniversary of the Bulgarian Constitution was marked in Sofia today by a meeting of the former M.P.'s [members of parliament] in the Grand National Assembly who participated in the working out and passage of the Constitution. The meeting was presided by the youngest Grand National Assembly M.P. Mr. Stilyan Stoychev. The Grand National Assembly was called in July 1990. One year later, in July 1991, it passed the country's Constitution and continued to operate as an ordinary National Assembly for a couple of months. It was dominated by the Bulgarian Socialist (former Communist) Party.

The Grand National Assembly Chairman, Mr. Nikolay Todorov spoke on the significance of this Constitution and the major principles implanted in it. Representatives of the political forces included in the previous parliament spoke after him. The need to settle the political discord for the sake of democracy and the benefit of this country was expressed in all their statements.

The meeting under the motto "For Constitutionalism and Democracy" was organized by an Initiative Committee comprising 20 former M.P.'s. The participants including M.P.'s of the 7th Grand National Assembly, public figures and politicians released an address to the Bulgarian people calling for national consent on the basis of Constitution and democracy.

Supporters of the Bulgarian Socialist Party, its parliamentary allies and political forces outside the present parliament rallied in front of the National Palace of Culture in Sofia following the meeting of the Grand National Assembly M.P's. Speeches were delivered by Yanaki Stoilov, Dragomir Draganov, Petur Staykov, Velko Vulkanov, Petur Beron, Rumen Vodenicharov and the poet, Petur Manolov. The participants in this meeting chanted slogans demanding new parliamentary election and adherence to the Constitution.

Agrarian Party Elects New Leadership

AU1107191892 Sofia BTA in English 1818 GMT 11 Jul 92

["Today"—BTA lead]

[Excerpt] Sofia, July 11 (BTA)—A national working conference of the Nikola Petkov Agrarian Party was held in Sofia today. The unification of Agrarian Party supporters in Bulgaria was the centrepiece in today's discussions. All members of the party regional headquarters today declared themselves for the suspension of the United Bulgarian Agrarian Party and the unification of all Agrarians in this country into the Nikola Petkov Agrarian Party. They believe this process could be concluded in a few couple of weeks. It is seen as the only possible mode of agrarian union.

The United Bulgarian Agrarian Party demanded the resignation of its Standing Committee and elected new eight members at its meeting today. Mr. Georgi Khanchev was appointed editor-in-chief of the union's publication, the ZEMEDELSKO ZNAME daily. Mr.

Tsenko Barev alone retains his position as secretary general of the United Bulgarian Agrarian Party. [passage omitted]

Sofia Agrarians Establish Joint Council

AU1207152792 Sofia Khorizont Radio Network in Bulgarian 1300 GMT 12 Jul 92

[Text] In a joint declaration, the Sofia leadership of the Nikola Petkov National Agrarian Union [BZNS] and the Sofia Municipal Council of Chairmen of the BZNS-United declare the conference held on 8-9 May 1945, at which the official BZNS was established, as illegal.

The declaration states that a reunification of the two BZNS organizations did not take place until 1991.

On this occasion, the two city leaderships have decided to establish a Sofia City Joint Council, which intends to promote measures for the real, future unification of the two unions.

The declaration also urges the other local BZNS organizations to follow the example of the Sofia City representatives.

The declaration was submitted to our correspondent Svoboda Nedeva.

Poll Shows Almost Equal Support for Trade Unions

AU1307112792 Sofia BTA in English 0825 GMT 13 Jul 92

[Text] Sofia, July 13 (BTA)—Political leanings are giving way to the fear of unemployment, according to the results of a recent sociological survey conducted by the BBSS Gallup International.

Bulgarians place almost equal trust in the two most influential trade unions in this country, the Confederation of Independent Trade Unions in Bulgaria (KNSB) and the Podkrepa Labour Confederation: 39 per cent favour Podkrepa and 37 per cent—the KNSB. Public mistrust is 28 per cent and 29 per cent, respectively.

A total of 39 per cent of the respondents do not see any considerable difference between the Podkrepa Labour Confederation and the KNSB.

It is interesting that most respondents are not members of any trade union in this country. 35.9 per cent of them are not trade union members as they do not have jobs. Another 35.5 per cent are not trade union members though there is a trade union branch at their place of work.

A considerable number of Bulgarians (34 per cent) believe that no strikes should be called until the economic reform is completed. 39 per cent, however, disagree with this. The remaining 27 per cent have no opinion on the matter.

53 per cent of the respondents believe that trade unions really aim to protect the employees' interests. 46 per cent say that the struggle for the preservation of jobs is the most important trade union activity.

Havel Eyes CSCE Summit, Post-Communist World

LD1107162192 Prague CSTK in English 1437 GMT 11 Jul 92

[Text] Prague July 11 (CSTK)—Czechoslovak President Vaclav Havel today told CSTK his days as the president of Czechoslovakia are probably numbered, when asked whether his visit to the Helsinki summit of the Conference on Security and Cooperation in Europe (CSCE) was the last in his capacity as president. Havel, who returned from Helsinki last night, told CSTK, Czechoslovak television and radio that he was pleased that most statesmen he met in Helsinki made it clear they would be glad if he did not disappear from Europe's political scene. Referring to the CSCE summit, Havel said the CSCE was established in a different situation and is now seeking its new identity and mission. He added that all the signatory states realise that its role is irreplaceable, nevertheless it has not yet devised mechanisms of settling local conflicts. The European Community (EC) will respect September 30, 1992, as the deadline by which Czechoslovakia's future state setup will be decided and then will determine further steps, Havel said on the future of Czechoslovakia's association accord with the EC. The accord, intended to improve Czechoslovakia's trade relations with 12 EC countries, was signed last December in Brussels. The EC "will definitely not hurry with its ratification, it will wait for the outcome (in Czechoslovakia), and possibly amend it for two partner states", Havel said.

[Prague Stanice Praha Radio Network in Czech at 1400 GMT on 11 July adds: "Czechoslovak President Vaclav Havel confirmed again today on returning from the Helsinki summit that his visit to Helsinki was most likely his last in his capacity as Republic president. He was pleased to hear from most statesmen he met at the CSCE summit that they would be glad if he does not disappear from the European political arena. He said that the CSCE is going through an ambitious transformation but that it has not yet managed to create mechanisms for solving area problems. Vaclav Havel said that the danger of instability exists and is much more apparent than in 1990, when everyone rejoiced over the collapse of the iron curtain. He said that much will depend on the West before the situation in the postcommunist world calms down. He stressed that the West should not just sit back in bewilderment and watch how it all ends."]

Interview on Summit, Presidency

LD1207210892 Prague Stanice Ceskoslovensko Radio Network in Czech 1215 GMT 12 Jul 92

["Conversations at Lany:" Interview with CSFR President Vaclav Havel by correspondent Dufkova at Prague Castle on 11 July—recorded]

[Excerpts] [Dufkova] Mr. President, you returned from the Helsinki CSCE summit on 10 July. You gave an address and met many politicians there who were interested in the true picture of the CSFR through your eyes. What were their reactions to your address and your explanation of the current Czechoslovak crisis?

[Havel] I am happy to say that response to my speech was very favorable. Various world newspapers printed the speech, and a great many statesmen, journalists, and other participants at the conference spoke positively about it to me. It could be that the overwhelmingly positive response was influenced by the fact that I delivered the opening address. My style was slightly different from that of the others. It was not a run-of-the-mill political address recapping the basic ideas of drafted documents and recounting the stands of individual countries on the debated issues. It had a wider scope than that. I was pleased with the response.

I also held bilateral talks; I had 11 of those on my agenda. Naturally, I spoke to politicians during lunches and dinners and in the conference hall lobby. I encountered people who I had not met before, like Swedish Prime Minister Bildt and the presidents of Azerbaijan and Albania. The latter two stressed that they share my fate: They also had a dissident past and are writers. I was happy to have a word with the president of the sorely tried Bosnia-Hercegovina. I spoke to many others during these informal meetings.

The bilateral talks focused on our country's situation. I thought it my duty to the international community and the citizens of our Republic to give factual and realistic information on our country's situation. I also had to reassure the statesmen that they do not have to worry unduly or fear that Czechoslovakia will become another Yugoslavia and the focus of instability and tension. I also felt it my duty to prepare the ground for two sovereign subjects in case our country does split. We often discussed how two separate Republics would be recognized, whether their international agreements would remain valid, succession, legal continuity, and so on. Overall, I would say that all statesmen made it plain that they were saddened at the development. They had all gotten used to Czechoslovakia's existence, and it had gained a firm and good standing in their minds. Nevertheless, they respected the nations' right to self-determination and the totally democratic character of our election. It reflected the will of the citizens legitimately. They said they did not intend to reverse the course of development and stressed that it was our own business. However, they also said that they hoped that the process would run calmly and correctly and that if we do have to divide into two states, divide into two international subjects, that it would occur in a constitutional, legal way, without the threat of conflict and chaos.

I was touched when I heard reassurances from various state officials as to how they supported my person and how they did not want me to dissappear from the European political scene. They said the instrument I played had its very specific place in the orchestra and that they did not consider me to be the person who

would be leaving the world of politics or public life. I had become a familiar figure somehow. I can even say that I had become friendly toward and fond of some of them. I am not saying this to show off. It has become a source of encouragement for me, which would give me strength in the none-too-easy days that lie ahead of me.

[Dufkova] Mr. President, you also met U.S. President Bush. Has the meeting provided stimulus and, as you just said, encouragement?

[Havel] Yes, it was stimulating. President Bush and Secretary of State Baker were well informed about our country's situation. Their communication systems function perfectly. They even knew about the next round of presidential elections scheduled for 16 July and so on. It could come as a surprise that such details are known to these state officials. Naturally, the United States is eager to see that the process of a possible division—or shall we call it a change in the state setup, for the time being—runs calmly rather than becomes a source of unrest in Europe. It is interested in both Republics continuing the very good and friendly relations that we have established with the United States. President Bush again expressed his solidarity and support for me. He is one of those with whom I think I have forged really good, friendly relations.

I also spoke to M. Delors about our relations with the EC and the course the association agreement would take if there is a split. I discussed the Council of Europe and associated issues with Mme Lalumiere. I held an important discussion with Chancellor Kohl. Naturally, he realizes that should the Czech Republic become a sovereign state, it would be Germany's immediate neighbor connected to it by many historic ties and a very long border. Kohl is interested in good and, of course, equal relations between the Czech Republic and Germany as immediate neighbors.

Premier Antall assured me in a very wise and credible way of Hungary's unconditional nonalignment in our internal matters. He assured me that despite some suspicions, Hungary has no specific interests of its own. He said that it intentionally did not respond to some of the suspicions. He also said that we should not read too much into some Hungarian politicians' public speeches. He said he would be interested in cooperation with both Republics if there is a split. He went on to indicate that the Czech Republic and the Republic of Hungary have no areas of friction or disputed issues between them and that their economic situation was similar where reform was concerned. He said he believed in good cooperation.

I discussed with both Antall and President Walesa the fact that the Visegrad troika as a political grouping should remain intact. At most, it could change from a troika to a quartet. President Walesa's attitude was somewhat different. He recommended that we fight for the common state to the last breath. He thought it very bad, unwise, and contrary to the interest of all citizens of both our Republics and our neighbors that we should divide. In this matter, he was his typical self: decisive, radical, energetic, straight to the point.

I spoke to NATO Secretary General Woerner and Ukrainian President Kravchuk. The latter was an important conversation as I met him for the first time. We assured each other that we were both aiming at good relations between Ukraine and Czechoslovakia and that the border between the Slovak Republic and Ukraine was unviolable and unchangeable. I had a pleasant talk with President Mitterand and others.

I think that these talks were important. While I really tried to describe the situation objectively, realistically, and factually, without embellishing anything, I also tried to dispel possible worries or anxieties over our development.

Federal Foreign Minister Moravcik attended roughly half of the meetings. As he represents the Movement for Democratic Slovakia, I gave him space to talk. I must say that he fully identified with my interpretation and appreciated its objectivity.

[Dufkova] Mr. President, since 3 July, you must have lived through quite a lot. You have read about yourself, besides other things, that you surrounded yourself with not always competent advisers, that you were decorating the castle at the expense of other state needs, that you did not understand the soul of the Slovaks, that you forgot where you come from, and that you became intoxicated with power. What conclusion have you reached during this week?

[Havel] True, in the recent period I have become the subject of many, many various analyses. I am being dissected. This is, I would say, a fad at the moment. I am attentively keeping track of everything. Nevertheless, I have decided not to always react, explain things over and over again, evoke things again, or defend myself vis-a-vis individual critical comments or attacks. That, I think, is a little bit undignified. I firmly believe that I shall have a more continuous span of time to think over my term as president, to think over those critical elements that do have a rational core—many of them are absolutely senseless—and try to make some kind of comprehensive evaluation.

[Dufkova] Since 10 July, not a single day has passed without speculation about the situation around the expected break-up of our state and also around your future function. It is even speculated that you will either remain federal president or that you will leave politics or that—should there be a Czech constitution—you will become the president of the Czech state.

[Havel] As far as my own future is concerned, I would say only two remarks. If I am not knocked down by a car or tram, then you will hear about me in any case—as I know myself and as I see my whole previous life, I cannot but express my opinion, than participate in public life.

As for the second remark, my predecessor President Benes once made the following notorious statement: I have my plan. I would like to repeat that after him. I hope that my plan is better than his was at that time and I certainly do not want to leave anything to chance. I do not want to become like a reed swaying in the winds of time, a kind of tool of others, which some wave as their flag, others as the symbol of all evil. Simply, I shall decide in harmony with my conscience and I do have an idea about what I should do.

[Dufkova] I have mentioned the Czech constitution. Mr. President, what is your idea of the Czech constitution?

[Havel] First it should be said that the present Constitution, or rather the constitutional law on the Federation of 1968 presumed, or anticipated, the existence of republican constitutions. No work on these had been done during the whole era of communism; the issue was frozen for understandable reasons. Nevertheless, after the fall of communism, the issue came back to life. Slovakia was further down the road since the Slovaks worked very intensively on the new constitution and they have several variants. I read some of them . It seems that the work is now approaching the end—as we know, the Slovak National Council plans to adopt the constitution in August.

The Czechs, too, have not forgotten this subject altogether. The Czechs, too, had the first working versions of the constitution a year ago. I also read them. Nevertheless, now, as the issue of our state set-up becomes more urgent after the last election, the subject of the Czech constitution is becoming more urgent too and we know that intensive work on the constitution is going on, a lot is being written about it, a lot is under consideration. I would like to voice some of my ideas about the Czech constitution.

First, I think that the constitution can in some items lean on the Constitution of 1920—the old Czechoslovak Constitution. That would also accentuate a certain continuity of Czechoslovak statehood, a certain way of signing up for the tradition of the state—the names of institutions, etc., can be taken over for example. Nevertheless, the Constitution of 1920 has become a little outdated. The development of constitutional law has taken a somewhat different direction because a lot of things have happened in the meanwhile, besides other things, also the fact that various totalitarian regimes have come to power in a purely constitutional way. This means that the emphasis is not so much on the formal aspect of all the procedures but that the emphasis is rather on values and the meaning of constitutional values. For this reason I think that it is not possible to just copy mechanically the Constitution of 1920, although it should be taken into account.

What will further be important in the constitution will, of course, be the Charter of Fundamental Human Rights and Freedoms, which can, in essence—maybe with some complements—be taken over from the already adopted federal Charter, which, I think, is good. This Charter actually defines the relations between the citizen and the state, and what will be important and also probably the hardest nut to crack will be the establishment of a truly good, balanced relation between the executive and representative power, between various constitutional authorities. That is something that requires a lot of thought because our constitutional system, actually from the war until the present, has not defined this very important component of the Constitution. I have pointed this out many times and the various proposals which I made in the past to the Federal Assembly and my working proposal of the Constitution, and all the legal proposals as well, were directed at the clarification of these relations, at the definition of democratic procedures, since the existing state of affairs is awful—I mean the state of the federal Constitution in these matters.

That will be important. There is an idea that the Czech Assembly—it will probably be called assembly but maybe it will be called something else—will have two chambers. I am not so sure about this. It is once again a principle taken over from the First Republic, but during the whole First Republic,the Senate was a formal institution, a kind of caring centre for old gentlemen. It did not have any significant political influence and it was rather, I will say, a bit of a complication. In recent times, we did not have the best experience with the dual chambers system in the Federal Assembly. I am not sure whether the republic, which would eventually have to start with some kind of independent existence and search for its place in the sun as well as adopt an enormous amount of new legislation very quickly etc., could from the very beginning afford the luxury of a dual chamber system. Although it is necessary to say on the other hand, that some people who work in this field, namely from the ranks of the Civic Democratic Alliance, have quite an interesting scheme of the division of powers between the Senate and the normal chamber of deputies. That will obvious be the topic of a lively discussion in the relevant commission. It will be necessary to define the relations between the government and the parliament and, if the case may be, the president.

I think that as a republic, the Czech Republic, too, should have its president and I think that the function of the president should not be to strengthen his powers in the sphere of executive power—that would be in conflict with our tradition to have the president as the head of some kind of executive body. That is something that is present in the so-called presidential systems as are common in the United States or, in a different form, in France. That does not correspond with our tradition. I would rather see the president as some kind of constitutional safety valve, which is in reserve in case of any crises, in case of a dispute between the executive power and the legislative power, as somebody who has the solution of these crises in his hands and who disposes of certain tools extended to him by the Constitution for their solution. I think that the president should not be answerable to the parliament or derived from the parliament, or that he should be revoked by the parliament.

That, too, was not in the Constitution of 1920—for obvious reasons. If the executive power is derived from representative power and if there is to be a safety valve beyond the executive and representative power as a kind of third component of the system of balance and counterbalance, then I think that the president should have a somewhat different position in relation to the parliament than he has at present, and it might even be worth considering whether direct presidential elections should not be introduced. He could be proposed by the parties, let us say, but would be elected directly by the citizens. Again, not with the intention of introducing the presidential system in which the president is the executive chief, but to derive his legitimity from somewhere else than from the parliament. [passage omitted]

The third important thing that should be solved by the Czech constitution is regional administration. I do not think that we need to become directly and immediately a country with a land type of administration. The word land has become a kind of magic formula today; everybody uses it as a political slogan. It sounds very suggestive, since everybody is imagining the Federal Republic of Germany or Austria and thinking that the landness is automatically a guarantee of stability and prosperity. It is not as simple as that and, all in all, names and terminology are not so important. What is important is the principle of a certain decentralization, the setting-up of self-administrative intermediate links between the towns and villages and the republican parliament. [passage omitted]

[Dufkova] Inevitable question, Mr. President, would you like to become president of the Czech state, the Czech Republic?

[Havel] Look, while I am still Federal President it is not really suitable for me to speak about other presidential alternatives. This is understandable. I cannot be somebody who in the situation when a bigger chair has begun to disintegrate under him is immediately looking for a smaller chair that he could possibly use. Anyway, being president is not the dominant aim of my life, I perceive it only as a tool, an instrument of my service to citizens.

Nevertheless, as you have already asked this—if the development leads toward the split, forming of two republics with two presidents, then once I am not Federal President anymore it will probably depend on two things. First, on what we have already mentioned—i.e. what is going to be the constitutional definition of president. I am really not interested in being some sort of an ornamental president who just lays wreathes at monuments and because of this having to wear a suit all day, to be some sort of a symbolic personality. I think I can be more useful to my fellow citizens in a different position. Thus, what would matter is what is going to be the president's task, what is his work going to be. The other important thing is, of course, also who is going to elect him and what is going to be the chance to gain support. I do not think that it would be very good for the Czech Republic, from the point of view of its international prestige, if an unsuccessful election of the president is going to be repeated dozens of times at the very beginning of its more independent existence.

The issue here is not me, after all. I am used to various failures to be elected or to various defeats and I am tough. What is at stake here is the country's prestige.

Thus, if what you just mentioned emerges for consideration, then I repeat it will depend on the constitutional definition of president and on whether the candidacy, in this case let us say mine, is supported at least by some relevant majority of political forces, political parties with which I share certain values and which would elect the president in the appropriate representative body, providing the principle of a direct election of the president is not adopted. [passage omitted]

Moravcik To Continue Previous Foreign Policy

AU1007174892 Prague CSTK in English 1532 GMT 8 Jul 92

[Text] Prague July 8 (CSTK)—Czechoslovak Foreign Minister Jozef Moravcik today declared his intention to start talks with the European Community (EC) on the possibility of the Czech and Slovak Republics becoming "under certain circumstances" individual members of the EC.

Moravcik, a member of Slovak Premier Vladimir Meciar's HZDS [Movement For a Democratic Slovakia], said the most likely date for a possible split of the current Czechoslovak Federation would be January 1, 1993.

According to the political agreement concluded June 21 in talks between the Czech ODS [Civic Democratic Party] and the Slovak HZDS, winners of last month's elections, the legislatures of the Czech and Slovak Republics are to decide the fate of the federation by September 30.

Given this deadline, Moravcik added, the federal Foreign Ministry must prepare the international community for the possibility of a breakup.

In other matters, he said, the ministry intends to continue the policies followed by the previous government, including cooperation with NATO, the Western European Union and the Conference on Security and Cooperation in Europe (CSCE).

Moravcik, who was appointed federal minister of foreign affairs July 2, singled out the CSCE as a forum for preventing destabilisation in Central Europe in the case of Czechoslovakia's split.

Once the Ministry of Foreign Trade, the Ministry of Labour and Social Affairs, and the Federal Committee for the Environment are abolished, he explained, the Foreign Ministry will take over some of their responsibilities.

Czechoslovakia's new ambassadors will be named on the principle of parity, Moravcik said, meaning that each republic will have an equal number of ambassadors.

He confirmed that the next ambassador to the United States will be current presidential spokesman Michael Zantovsky, as approved by the previous federal government.

Asked about the Hungarian minority community in South Slovakia, Moravcik said their rights were "slightly above the European standard".

Hungarians make up over 10 percent of the 5.3 million population of the Slovak Republic.

"These issues should be solved on a multilateral level," Moravcik said, adding that he was willing to discuss the topic of the Hungarian minority in any kind of international forum.

EC Concerned Over Hungarian Minority Rights

LD1007123292 Prague CSTK in English 1128 GMT 10 Jul 92

[Text] Bratislava July 10 (CSTK)—The European Community (EC) is disturbed by the status of national minorities in the Slovak Republic, an EC official told Slovak National Council (parliament) Chairman Ivan Gasparovic today.

Leopoldo Giunti, head of the EC commission's contingent in Czechoslovakia, met with Gasparovic to discuss the Slovak parliament's plans to adopt a declaration of sovereignty and a constitution for the Slovak Republic.

Gasparovic, a member of the governing HZDS, suggested to Giunti that he visit South Slovakia, where the Hungarian minority is concentrated, to see for himself how minority rights are guaranteed.

"All of us have the same rights, but we also have the same obligations", Gasparovic added.

He said Giunti's visit to Bratislava "will allow much of the disinformation about the separatist and undemocratic aspirations of Slovak politicians to be set straight".

Spokesman on Havel-Kovac Meeting, Klestil Visit

LD1307125692 Prague Stanice Ceskoslovensko Radio Network in Czech 1200 GMT 13 Jul 92

[Text] Thomas Klestil, newly elected president of the Republic of Austria, will arrive on a short visit to Czechoslovakia on 15 July at the invitation of President Vaclav Havel. This was announced by presidential spokesman Michael Zantovsky at the regular briefing in Prague today.

President Havel will meet tonight with Federal Assembly Speaker Michal Kovac to discuss the upcoming joint session of the Federal parliament. Besides the second round of the presidential election, the Federal Government's policy statement will also be on the agenda. The new Federal Government will also seek a vote of confidence from the Federal parliament.

Federal Government Program Statement Detailed

LD1007172792 Prague Stanice Ceskoslovensko Radio Network in Czech 1600 GMT 9 Jul 92

[Text] The federal government wants to secure the continuity of all processes begun after November 1989, and to carry on with the reforms that have already been started. This is stated in the federal government's policy statement presented to the Federal Assembly today.

The government has proposed a marked streamlining of the number and size of central state administration bodies, a transfer of powers from the closed down and streamlined central administrative bodies to the remaining central bodies, and a transfer of selected powers to the bodies of individual republics.

The policy statement says that if the government is empowered to do so, it will be prepared to propose conditions for the smooth running of two sovereign states as international subjects.

The government undertakes to fulfill tasks connected with the solution to the state setup, which would be agreed upon by the National Councils. The federal government has recommended that these agreements be reached by the end of September 1992 at the very latest.

The government therefore looks upon its policy statement as time- restricted, and has subjected both the contents and the extent of its policy statement to this restriction. The policy statement has concentrated only on selected topics that are decisive these days.

Federal Premier Interviewed on Government's Tasks

LD0907212992 Prague Stanice Praha Radio Network in Czech 1630 GMT 9 Jul 92

[Interview with Federal Premier Jan Strasky by correspondent Petr Spiegler; place and date not given—recorded]

[Text] [Spiegler] Today the Federal Government probably faces an uneasy task: On one hand it is faced with what is in substance a self-liquidation, or at least a partial self-liquidation, and on the other hand it has to take into account the present situation, that is, preservation of the federal state. How do you perceive this task?

[Strasky] I would not speak about self-liquidation. If this word is to be used then perhaps concerning the decision that the Federal Government is going to have ten and not more members, the self-liquidation concerns the difference between the original number and the present number of members.

The real problem is making a temporary or permanent decision in such a short time about the shift of powers and authority outlined by the Constitution from those bodies which do not have ministers at present. I repeat that there are two variants of a further course of action. As we are being pushed by the deadline which is a part of the political agreement, the deadline of 31 September when those ministries should cease to exist, we have first of all to draft and adopt the law on this. Thus, the government has to put forward bills of the appropriate laws sometime before the end of this month. This means that our alternative is that we shift as many powers as possible from the above mentioned bodies to the existing federal bodies, initiating only minor shifts of powers to the republics.

Nevertheless, at the same time Deputy Premier Cic who is in charge of legislative matters in this government will attempt to define as permanently as possible the shift of powers to the republics, too. If we manage to achieve this by the end of this month, then the (?shift) of the existing federal powers to the republics would in fact also take place.

[Spiegler] You have hinted at the fact that the Federal Government's measures and powers are restricted in time. Do you think that you will manage to preserve a political consensus on all the issues for this entire period?

[Strasky] Let us realize that on the micro-economic level the Federal Government is going to have very little room for maneuver to influence anything. The majority of the economy, the existing economy, that is the majority of enterprises and the majority of industry branches is being managed by the republican governments. And if we go still further, the substantial part of the economy is in private hands and this process is going to continue.

Our main task is thus to preserve the macro-economic stability, possibly to influence—within easily defined limits—some growth tendencies of our economy. In this context I think we do not have much space to fail to reach a consensus.

[Spiegler] The Federal Government should continue to support the influx of foreign capital in this republic, but how is it going to be able to guarantee this influx in the present situation?

[Strasky] By fulfilling all the powers externally the Federal Government is therefore here to initiate the influx of capital within its opportunities, be it the Ministry of Foreign Affairs, Foreign Trade, be it other contacts the government preserves with foreign countries.

[Spiegler] How can the government achieve this?

[Strasky] First of all, it will strive to declare and prove abroad—as declarations can easily prove themselves untrue [words indistinct] really create, conditions of certain calm and certain assurance for the outside world that the Federal Government guarantees that a split of this state will take place according to the law and in a peaceful manner.

[Spiegler] In the context of foreign policy, do you not worry a bit that when you and the minister of foreign affairs travel abroad the interpretation of the present situation in Czech-Slovak relations will be slightly different?

[Strasky] I listen very carefully to statements by the ministers of the Federal Government. My attention was attracted yesterday to a statement by the minister of foreign affairs about the date of 1 January [the date for CSFR's split]. If this is his personal view this will contribute toward implementing the splitting of our state with substantial speed.

I do not think there is a different motivation of the Czech and Slovak members of the Federal Government as far as creating and spreading in the outside world the atmosphere of [word indistinct] confidence and self-confidence are concerned in order that the world perceives us in this way and that the processes which have started well—although at present we are receiving signals about them being slowed down—could continue.

Aseembly Chairman Named Presidential Candidate

LD0907134792 Prague Stanice Ceskoslovensko Radio Network in Czech 1300 GMT 9 Jul 92

[Text] Miroslav Sladek, chairman of the Assembly for the Republic, Czechoslovak Republican Party, is the first official candidate for the second double round of presidential elections. The proposal to present Miroslav Sladek as a candidate for the office of the Czechoslovak president was presented today to the Federal Assembly chairman on behalf of the Republican Party deputies by Jozef Krejsa, deputy chairman of their deputies' club in the Federal parliament.

CDU-CPP Moves To Prolong President's Term

LD0907144992 Prague Stanice Praha Radio Network in Czech 1030 GMT 9 Jul 92

[Text] The objective of today's news conference of the Christian and Democratic Union-Czechoslovak People's Party [CDU-CPP] was to tell the public about the work of this party's deputies' clubs and about their intentions. Ivan Stupcuk was present.

[Stupcuk] As Jan Kasal put it, the agreement concluded by the Czech government member parties is considered by the CDU-CPP to be a great success. The importance of this agreement is underlined by the fact that it will become the basis of the Czech Government policy statement that should be tabled for a debate in the Czech National Council on Monday, 13 July.

Josef Borak, the new chairman of the CDU-CPP deputy club in the Federal Assembly, then explained the proposal to amend Constitutional Act No. 143 of 1968 of the Statute Book on the Czechoslovak federation, article 62, by extending the office of the president by one year. According to Josef Borak, this is not only related to the person of Vaclav Havel, but to the overall, systemic, and logical sequence of individual steps. By this proposal, the CDU-CPP wants to avoid the risk of another lengthy and unsuccessful presidential election that might also result lead to the decline of Czechoslovakia's credibility on the international level.

Miloslav Vyborny explained the Monday [6 July] meeting of the CDU-CPP with the Christian Democratic Movement [CDM] in Slovakia, attended by Jan Carnogursky [CDM chairman and Slovak ex-prime minister]. They were assured by the Slovak side that the processes under way at present in the Slovak republic are really processes of a natural national self-awareness and not any artificially nourished nationalism that would play into some leftist parties' hands. According to Miloslav Vyborny, Czech politics should respect this reality and not put any obstacles into the course of this process.

Government Statement on Two 'Sovereign' States

LD1007195992 Prague CSTK in English 1657 GMT 10 Jul 92

[Text] Prague July 10 (CSTK)—The Czechoslovak Government will propose conditions for a smooth functioning of two (Czech and Slovak) sovereign states, both being subjects of international law, if it is empowered to do so, said the government's programme statement submitted to the Federal Parliament today.

The statement said the government seeks to ensure the continuity of all processes begun after the November 1989 revolution which toppled the Communist regime in Czechoslovakia and wants to continue the implementation of economic reforms.

The government proposed in the statement that the Czech and Slovak National Councils (Parliaments) should reach an agreement on Czechoslovakia's future state setup by the end of September at the latest.

The government proposed to reduce the number of state administrative bodies and the number of civil servants.

Until the issue of the country's future setup is solved, the government will represent the whole of Czechoslovakia on the international scene, respecting and fulfilling all its commitments.

The government assigns great significance to the promotion of relations with Czechoslovakia's neighbours as well as the United States, as shaping a new political architecture in Europe is impossible without U.S. active participation. The government will strive also to have good political, economic, and financial relations with Russia.

The government will see to the continuation of the privatisation process and will support foreign investment in the country.

The government will support the Czechoslovak State Bank's policies aimed to stabilise the Czechoslovak crown and its exchange rate and extend its internal convertibility.

According to the statement, the number of government members will drop from the current 16 to ten in consequence of which the number of federal administrative bodies will be reduced from the current 12 to five by the end of this September at the latest. The Ministries of Finance, Foreign Affairs, Defence, the Interior and Economics will not be abolished, the statement said.

Federal Finance Minister Interviewed on Tax Reform

LD1307042692 Prague Stanice Ceskoslovensko Radio Network in Czech 1600 GMT 10 Jul 92

[Interview with CSFR Finance Minister Jan Klak by correspondent Barbara Tacheci; place and date not given—recorded]

[Excerpt] [Tacheci] Minister, the new tax system should be launched on 1 January 1993. Is there anything that would stand in the way of it really being introduced?

[Klak] We do have the legislation already, at least the essential tax legislation. The tax laws were discussed and approved at April session of the Federal Assembly. We are aware today that we shall have to finalize this legislation. We were aware from the beginning that it was not ideal and now we simply find out the weak spots. We would like to go to the autumn session of legislative bodies with an amendment to tax laws.

[Tacheci] Where are the weakest spots?

[Klak] I shall be quite specific, i.e. in connection with the value-added tax we have forgotten that some import tax is being collected, in transition to the value-added tax we make the turnover tax refunds possible, but we do not mention the import tax here. Hence, we should also make the import tax refunds possible as well. We have not, perhaps, quite mastered tax regulations for travel agencies. These are particulars. Nevertheless, they are the things that we shall have to deal with.

[Tacheci] The new tax system was conceived as having federal validity. Is it or will it be possible to clearly separate both budgets in the income area if the budget policy everybody for his own money becomes the case?

[Klak] I do think that it is possible. There is no problem in budget separation. There are only two taxes where there we would probably have to continue to apply the common bag or common account. It would be the excise duty and it would be the value-added tax collected at the

border. Elsewhere we can apply the principle of tax allocation according to the place of origin. [passage omitted]

Study on Economic Repercussions of Partition Cited

AU1307055792 Prague RUDE PRAVO in Czech 8 Jul 92 pp 1,2

[Signed report by "MIR": "Partition Will Cost Us Dearly"]

[Text] Prague—If Czechoslovakia breaks up, unemployment will most likely rise to 20 to 25 percent in Slovakia and to 10 percent in the Czech Republic. Regionally, the rate of unemployment in the Czech Republic could range up to around 20 percent, while in Slovakia it might even exceed 30 percent.

This conclusion was reached by economic experts of the Czech and Slovak Confederation of Trade Unions [CSKOS]. Their study on the possible repercussions of the CSFR's partition states that, "even if it occurred by legal methods and in a friendly atmosphere, the CSFR's partition would have a negative impact on the economy of both sides. Although the impact on Slovakia would be more severe, the idea that the Czech Republic would shed some sort of a burden by means of the state's partition is nonetheless illusory." According to the authors of the study, as a result of the economic problems caused by partition, neither successor state would most probably be able to introduce in the foreseeable future a genuinely functioning autonomous insurance system in the fields of social, unemployment, and health insurance. They expect a certain migration from Slovakia to the Czech Republic within the framework of family ties; however, this migration wave would not come to a halt in Bohemia but both countries would be forced to cope with the problem of a brain drain to the West.

Mutual Payments in Dollars

In conjunction with the formulation of an independent monetary policy in both countries, the analysis reckons that it would be inevitable to switch to mutual payments in convertible currencies. Given the probability of a drop in exports as a result of partition, this step would bring about another drop in the production volume, which would be associated with unemployment growth and a deformation of the market environment and accompanied by strong inflationary pressures. Even though all these tendencies would be far stronger in Slovakia, by implication they would cause negative consequences for the Czech Republic, too. These would make themselves felt, in particular, in the growing cost of transit fees for oil and gas, in the restriction of Czech exports to the Slovak Republic, and in the high costs generated by the need to speed up the construction of new channels for the transport of crude oil from non-Russian sources.

While social expenditures (unemployment benefits, indexation of transfer payments) can be expected to rise, budget revenues would simultaneously decline (owing to the objectively caused more intensive production decline).

Benefits Would Be Only Relative [subhead]

The trade union also study sums up some relative benefits that partition might bring to the two republics.

In the Czech Republic, it is the greater absorption capacity of the market, the more advantageous geographic location, the greater natural resources, and the generally higher technological standard and competitiveness of production. In Slovakia, the relative benefits concern the lower degree of obsolescence of production and nonproduction assets and the possibility of levying high transit charges on the transport of raw materials and other commodities between the Czech Republic and the successor countries of the USSR.

The disadvantages stemming from partition are obvious, however, and clearly outweigh the relative benefits, which is true of both republics. In Bohemia and Moravia they concern, above all, the formidable internal debt, which is caused by living off the substance and reflected not only in the obsolescence of production and nonproduction assets but also, for example, in the disadvantageous consumption structure of primary energy resources, which represents an immense ecological burden. Slovakia's main disadvantages in the event of partition would include the greatly limited domestic market, the lower marketability of merchandise that is produced in Slovakia, and the greater dependence on the East European market and on the market for armaments.

According to the authors of the study, the sum total of all these repercussions would lead to the slowdown and, possibly, temporary stagnation of economic reform, would negatively affect the nascent private sector, and would trigger a further development of the black market, smuggling, illegal money changing, and the like.

Ruml Denies Czech Government Secret Report

LD1007131992 Prague Stanice Ceskoslovensko Radio Network in Czech 1200 GMT 10 Jul 92

[Excerpts] According to Czech Interior Minister Jan Ruml, there is no secret report drafted by the current Czech Government about the course of action taken during the break-up of Czechoslovakia. This is what he said today in response to Vladimir Meciar's pronouncement made yesterday at a meeting with Slovak journalists. [passage omitted]

Former Czech Premier Petr Pithart refuted the existence of the secret report. He said that Vladimir Meciar probably meant the document termed by newsmen as a catastrophic scenario.

Czech Government 'Intends To Achieve' Statehood

AU1007175092 Prague CSTK in English 2111 GMT 8 Jul 92

[Text] Prague July 8 (CSTK)—Czech Premier Vaclav Klaus said today that the Czech National Council (parliament) will discuss a draft Czech Constitution in the very near future.

Klaus told journalists after the Czech cabinet held its first session since its July 2 appointment that it will submit to parliament preliminary plans for establishing the post of Czech president.

He said his government "intends to achieve" Czech statehood, which is called for in the government's programme declaration, to be presented to the Czech parliament July 13.

Klaus repeated his statement from a speech after the government's appointment that it is not possible "given a Slovakia that is taking more and more steps to define itself, for the Czech Republic to remain, out of inertia, in an unclear position within the Czechoslovak Federation".

He said the government's draft programme will deal with clarifying the powers of various bodies within the Czech Government and with decentralising and reforming state administration.

The Czech Government will meet again on Friday [10 July] to work out material to be presented to the parliament next Monday.

Czech Policy Statement Approved

LD1007213492 Prague Stanice Ceskoslovensko Radio Network in Czech 1900 GMT 10 Jul 92

[Text] At its session in Prague today, the Czech Government approved its policy statement. It appointed Prime Minister Vaclav Klaus to present it at 13 July's meeting of the Czech National Council.

The Czech Government today also set up, and nominated the members of, a commission to prepare the constitution of the Czech Republic. Vaclav Klaus was named the commission's chairman and Jan Kalvoda its deputy chairman.

Dlouhy Discusses Reorganization, State Role

AU1107161292 Prague CESKY DENIK in Czech 4 Jul 92 p 3

[Interview with Czech Minister of Industry and Trade Vladimir Dlouhy by Jan Kreuzer; place and date not given: "I Am a Liberal Economist"]

[Excerpts] [Kreuzer] How will your ministry and the Czech Ministry of Economics be arranged?

[Dlouhy] The newly established Ministry of Industry and Trade will take over the previous Ministry of Industry, plus the fuels and power department that will be transferred to it from the jurisdiction of the present Czech Ministry for Economic Policy and Development. We expect that the Ministry of Trade and Tourism will be abolished. Its activities involving domestic trade will be transferred to the Ministry of Industry and Trade, and those involving tourism will be transferred to the jurisdiction of the Czech Ministry of Economics. That ministry will also take over activities that used to be within the jurisdiction of the federal ministries of transportation and communications. Hence, Minister Dyba's Ministry of Economics will deal with transportation, communications, support for small and medium-sized businesses, regional policy, research and development, and other activities. My ministry will deal with fuels, energy policy, ferrous and nonferrous metallurgy, heavy and light industry, construction, domestic trade, and—once authority in foreign trade is transferred from the federation, which I expect will happen very soon—foreign trade.

[Kreuzer] Do you foresee programs supporting the development of enterprises, in lieu of, for example, writing off their debts?

[Dlouhy] My idea of the enhanced state role primarily concerns fuels and energy policy, but even there I do not stress direct intervention by the state in terms of restructuring. Even in areas where I will play the role of executive and appoint or recall company directors, I would like to gradually limit that role. As far as fuels and energy policy are concerned, for example, I see the crux of the matter in price policy and in denationalization and partial privatization. I see the state policy in this sector as being based on adoption of the appropriate regulatory legislation that will facilitate operations in the energy sector. I certainly consider a certain state role necessary in metallurgy, particularly ferrous metallurgy. As far as all other areas are concerned, I regard as one of the most important tasks of the Czech Government to be coming to terms with what I call the vicious circle between internal corporate indebtedness and secondary insolvency on the one hand and the banking sector's insufficiently flexible policy on the other. In this vicious circle one side blames the other, and the state will have to do something about it. This possible intervention definitely will not consist of extensive financial subsidies and state-imposed restructuring, however. Under any circumstances we must take the path of privatization, and not first restructure and then privatize. The new private owners themselves will decide what to do with their property. Next, the state should also play a role in conceding bankruptcies, with the proviso that in some cases, it can assume responsibility by taking part in financing the social consequences of bankruptcies, for example. The state should see to it that bankruptcies do not have a domino effect. At the same time, the institution of bankruptcy must enter the awareness of all our economic organizations. If necessary, I consider bankruptcy to be one of the ways out of the vicious circle referred to earlier.

[Kreuzer] How will you approach the problem of screening company directors? So far, the pace at the Czech Ministry of Industry has been very slow.

[Dlouhy] The screening law was passed by the Federal Assembly and it is my obligation under the Constitution to observe that law.

[Kreuzer] Partition of the state could seriously disrupt deliveries among subcontractors, a situation that will be reflected in infrastructure as well....

[Dlouhy] There is an endeavor in Slovakia to organize a common statement by Czech and Slovak economic ministers, who should express the assurance that economic relations between our republics will be as free as possible, regardless of the development of talks on the constitutional arrangement of the states. I endorse this idea, but we have to clarify to each other what we actually mean by free trade or by the freest possible economic relations, because economic relations will be mutually free only if the economic policies of those two independent entities are mutually consistent. If we want to have free mutual trade, we should also have sufficiently similar features of economic policy. If we want to have common features of economic policy, this policy should be determined at one place. Then we are back at the starting point—the constitutional arrangement of the states.

[Kreuzer] Your ministry consists of several departments. What steps will you take in the area of domestic trade?

[Dlouhy] People engage in trade on their own, and they never needed any state to do that. The state is there to collect taxes and formulate the legal conditions. I consider the law on small business to be miserable, as it runs against the interests of both the state and business. I will give maximum support to small and medium-sized businesses. It will be necessary to take a hard look at the structures of state wholesale organizations and the cooperative retailing sector deserves attention too. The distinguishing feature of our work in domestic trade should be the departure of the state presence.

Under socialism, we introduced a terribly tough partition between foreign and domestic trade. I would like to build a Ministry of Trade and Industry that will not distinguish between domestic and foreign trade. [passage omitted on personal questions]

Kocarnik Denies Currency, State Divisions Linked

LD1207184892 Prague CSTK in English 1433 GMT 12 Jul 92

[Text] Prague July 12 (CSTK)—Czech Finance Minister Ivan Kocarnik today said that considerations about dividing the Czechoslovak currency in the present political situation cannot be seen as a step directly initiating Czechoslovakia's breakup. "I would be a bad finance minister if I did not think about these matters", Kocarnik said in a regular Czechoslovak television debate reviewing events of the past week. He compared economic relations between the Czech and the Slovak Republics to "a relationship between two partners doing business and creating common property, when suddenly one of the partners wants to engage in a sort of adventurous policy threatening this property". He said "there is nothing wrong when the other partner defends himself and prepares certain measures to prevent everything from collapsing". He repeated an earlier statement by the Czech Government that the Czech side has not drafted any blueprint of measures to be taken in the event of Czechoslovakia's partition. Slovak Premier Vladimir Meciar in a meeting with Slovak journalists last Thursday [9 July] was reported to have called on the Czech Government to publish the blueprint.

Large Slovak Deficit 'Unacceptable' to Czechs

AU1107161892 Prague CESKY DENIK in Czech 4 Jul 92 pp 1, 3

[Interview with Czech Finance Minister Ivan Kocarnik by Pavel Borkovec; place and date not given: "I Enjoy the Work"]

[Excerpt] [passage omitted] [Borkovec] What impact could a Slovak deficit budget policy have on Czech finances?

[Kocarnik] Should Slovakia run up a sizable deficit, the problem of financing it will arise. As a matter of principle, there exist three possibilities. The first is foreign loans, but no one abroad is going to lend money to finance a deficit. The second possible source is our internal money market, that is, the banks. Banks, too, are not eager to lend money to finance a deficit, especially in Czechoslovakia's unstable present situation. The credit capacity of Slovak banks alone is not such that they could cover a sizable Slovak deficit, leaving aside the fact that if they did cover it they would limit the availability of credit for the business sector and thereby put a damper on entrepreneurial activity and economic development. This is a situation from which there exists no way out. Moreover, it would spread inflation from that part of the economy engaged in deficit spending to the rest of the economy. Needless to say, this would be absolutely unacceptable to the Czech representation. The third possibility is a forced loan from the public. That would no longer be a normal situation, but would spell a crisis.

[Borkovec] What is the present state of the finances?

[Kocarnik] The sum total of the budgets ended with a surplus of more than 4 billion korunas [period not specified], of which the Czech budget has a sizable surplus, the Slovak budget is balanced, and the federal budget shows a slight deficit. The surplus was achieved mainly due to the regulation of expenditures. We plan to convene a meeting of the Financial Council in the foreseeable future where we should agree either on how to continue regulating expenditures or what measures to take on the revenue side of the budget. [passage omitted]

Dyba Interviewed on Economy, Possible Split

AU1307112292 Prague MLADA FRONTA DNES in Czech 8 Jul 92 pp 1, 2

[Interview with Czech Economy Minister Karel Dyba by Marcela Pechackova; place and date not given: "Speeding Up Transformation"]

[Text] Minister Karel Dyba is one of the three ministers of the former Czech government who are also members of the new Czech Government. His sector has not changed too much: having been the minister for the economic policy, he has become the minister of economy.

[Pechackova] What must we do first in the Czech Government, from your ministry's point of view?

[Dyba] In the interests of the government's functionality, we must have a look at its structure and rule out the possibility that their jurisdictions may overlap. This will improve the government's functionality and speed up decision-making processes.

[Pechackova] What do you have in mind, for example?

[Dyba] For example, jurisdiction over small and medium-sized enterprises, support to them, and the policy adopted toward them, should be concentrated in one ministry.

[Pechackova] This is pure technicality. What are the principal intentions of the Czech Government?

[Pechackova] The most important thing is to continue what we have begun. In the past, we did not manage to proceed fast enough. We must speed it up. Privatization is the key to the success of reform: We must finish the first wave and prepare conditions for the second wave of privatization. This will be one of the main tasks for the Czech Government. We certainly will continue the policy of stable currency—which was and is within the jurisdiction of the State Bank—but the budgetary policy is up to the governments. The Czech Government does not intend to deviate from the policy of the balanced budget. We cannot set other goals in this sphere. Regarding the tax policy, we want to implement in practice tax reforms that are being prepared. This will not be simple. It involves unattractive work on a "lower level", but people must be prepared for the fact that taxes will be collected.

[Pechackova] It has been said that economic reform will have different impact not only in the Czech and the Slovak Republic, but also within the republics....

[Dyba] Certainly. In the Czech lands we have regions that were hit differently, depending on their economic structure. The task of the regional policy—this is my sector—is not to obstruct the transformation of the economy, but to make it easier, based on the principle: try to help yourself, and we will help you. Enterprises must find their own solutions, and then the state can support them.

[Pechackova] Are you afraid that the influx of foreign capital could slow down or even stop?

[Dyba] The uncertainty regarding the constitutional setup should not be the main factor of influence on the influx of foreign capital. The important thing is what have we done in the two years so far. Of course, we will have to prove that Czechoslovakia will be able to solve the constitutional arrangement in such a way as not to negatively influence business opportunities.

[Pechackova] Does the Czech Government expect, and is it prepared for an economic shock in case the country divides?

[Dyba] We must be prepared for this alternative. We have always been drafting scenarios anticipating possible developments. Of course, the new government will not adopt these scenarios in their original form. It will put its own ideas into a draft outlining possible developments and their time schedule. However, let us not fall a victim to illusions—the split would incur expenses on both sides. Everything must be done with the view that our mutual relations will be long-lasting relations, since both nations will live as neighbors forever. If there is a split, then it should be done in such a way as not to close the door to economic cooperation now or in the future.

Three Czech Opposition Parties To Cooperate

AU1307055492 Prague SVOBODNE SLOVO in Czech 9 Jul 92 p 1

[Signed report by "R": "Joint Course of Action"]

[Text] Prague— At a consultative meeting yesterday, representatives of the Czechoslovak Social Democracy [CSSD], the Liberal Social Union [LSU], and the Movement for Self-Governing Democracy-Society of Moravia and Silesia [HSD-SMS] and the chairmen of these parties' and movements' clubs of deputies in the Czech National Council agreed on a joint statement. It states, among other things, that, based on their close electoral programs, these parties and movements can also successfully cooperate after the elections. It has become fully evident that the endeavor by the government coalition to assert its power in the Czech National Council in a one-sided way can be resisted only by a joint course of action on the basis of democratically concluded agreements among clubs of deputies and by means of mutual consultation and discussion of stands, views, and positions among both the leaderships of clubs of deputies and individual deputies. In the event of different views and procedures, they will exchange information on these differences and their causes and will respect the principle of tolerance and the possibility of an independent course of action.

Slovakia Desires Integration Into Europe

AU1307120192 Prague CSTK in English 2105 GMT 10 Jul 92

[Text] Bratislava—European Community (EC) Ambassador to Czechoslovakia Leopoldo Giunti said in a meeting with Slovak Premier Vladimir Meciar today that it is in the interest of Slovakia to build up democratic structures.

An unnamed official who took part in the meeting told CSTK that Meciar expressed the Slovak Government's wish for Slovakia to be fully integrated into Europe. He also offered to create conditions in Slovakia for the work of EC bodies.

Meciar was interested in the EC Commission's response to the possibility that Slovakia would initiate involving an EC expert commission in helping to solve the controversy over the Czechoslovak-Hungarian hydroelectric project on the Danube. Giunti said a commission cannot be set up unless both parties ask for it and provided both agree that the commission's conclusions will be binding for both sides and all work on the project would be stopped until these conclusions are made.

Meciar Asks for 'Truthful Image of Slovakia'

LD1007192292 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1000 GMT 10 Jul 92

[Excerpts] In Bratislava last night Premier Vladimir Meciar met with members of the Association of Slovak Journalists for A Truthful Image of Slovakia. To draw a truthful picture about Slovakia is mainly a task for the media. One of the questions for Premier Vladimir Meciar was about this. Here is his answer:

[Begin recording] This is not only a task for the government but a joint task of the government and you the journalists. We are not able to do it alone. The premier is unable to speak on the media for 12 hours a day to explain government policy because we want something. We have certain convictions and knowledge and we either defend them together, see them as correct together or we criticize and analyze them from all angles. I am not interested in uniformity, that we all repeat the same thing. On the contrary, an opposite view helps to get to know the truth.

But let us admit with all honestly the situation in the media. The jobs in Czechoslovak Radio were filled in such a way as to suit the Civic Democratic Union and it is promoting the policy of the Public Against Violence. It used to do it in the times when [words indistinct] and their reporting was also tendentious, hardly ever objective with regard to Slovakia.

Federal television as an institution proceeds in its activity from the time when it was set up by a resolution of the CPCZ Central Committee as a tool for ideological influence on Czechoslovakia.

We want to see that information between the Czech lands and Slovakia is exchanged uninterruptedly and here we see fragmentation and short cuts. Take for example the meeting on the issues of cultural policy, where a few sentences outside the context of the meeting, were made into a big problem and now conclusions are drawn from it as though we wanted to suppress democracy. My criticism of F1 [federal television] which aimed at having this channel handed over to the Slovak and Czech television was seen as an attack on the freedom of democracy. Is it an attack on democracy whether Mrs. (Butilkova) is working there or Mr. Cerny and whether they are replaced by other people? On the contrary, journalists too must have an ethical threshhold: If for a year he or she were attacking someone and were reporting things which were not really there and now he or she sits down next to me and pretends that everything is all right and we can go on because we are democrats—this is not possible. [passage omitted]

Television channel TA3 is thinking of broadcasting for two hours in German, that is, to Austria from our country: What does it mean? To make a profit by advertizing. Then one hour for Hungary in Hungarian and the rest of the time will be used for something else. The question is: What will other countries say about the penetration of programs to their territory and the competition coming from our territory?

There is a feeling of uneasiness about some financial speculations and that we are heading for some very suspicious commercial speculations—dirty business worth billions. And we are going on. We know what we are going to run up against yet we made a promise to our citizens so we are fulfilling it. This creates real uneasiness among the other side about what we shall do. There is nothing else behind it than groups from various spheres having financial interests with whom our has beens [nasi byvali] were able to make links and court them—let us hope that it is only courting and nothing else, although it remains suspicious.

Our aim is to create a new image of Slovakia so that the people with whom we agreed before the elections that they will invest in our country, will gain confidence to enter with the knowledge that they are investing in a stable country with stable conditions.

We are waging a hard struggle for changing information channels and for making information objective but any attempt to achieve truthfulness and to gain entry meets, for example in television, with a reaction like: You know, there is a certain paragraph which is interpreted in such and such a way.

Now, the situation is that the state is breaking up and either those who took part in the talks about the break-up of the state will come to tell the citizens about it or we shall hide behind a paragraph and say: You must not go there because it would not be quite according to the law. By what law are government representatives forbidden

to speak on television to give such important information about events which are taking place? This is also a job which needs to be done.

For example, I find it impossible to ignore that a month before the elections many people were dismissed from Slovak Television and among them mainly those who stood near the Movement for Democratic Slovakia. Who then remained? Why were these purges made in disfavor of the current government party? If there is parity, there is pluralism for all. But we cannot speak about democracy for two or three parties and throw out the rest. And when we say: Let others speak too, the answer is: It is not democratic. [passage omitted]

There are many offers for talks from other countries, for meetings. We are unable to take them all on but why can't you do something as well? When we were attacked so much from abroad after the elections—and even the right of Slovaks to speak on their own behalf abroad was doubted—I went to Vienna and a Vienna-Bonn telebridge was organized. During it Mr. Genscher said: The right of the Slovaks is legitimate; it is not nationalism. It was enough.

Today Europe sees us differently but it is not enough if only government officials do it; it must be a cause for more people. Those who are there [as heard] really want to work—they were chosen because of it. They know who is to do what when and this means that we are advancing quietly but continuously. The course of gradual steps is not ceasing. Time however forces us to make difficult decisions. We do not have much opportunity for preparations. [end recording]

Let us add that Premier Vladimir Meciar came to this meeting from Prague where he held over two hours of talks at the British Embassy with the EC ambassadors—with the exception of Ireland. In this connection let us hear a passage on succession rights in the event of a possible split of the CSFR:

[Begin Meciar recording] What it means in practice is this: If we have gold in Switzerland then the legal successor of the state is Czechoslovakia. Only Czechoslovakia is its owner and we are treated as someone who departed and we have to make our claim to Czechoslovakia and demand from it what is ours. The result is a complicated and legally disadvantageous framework for Slovakia and therefore our view is that all of these matters must be discussed. We must not be overhastey because it cannot be done in such a short time.

As for the Czech representation, there is an effort to clarify it in the draft federal budget—so this will happen. And if the federation is not to their liking they have only the alternative of two independent states. It was not a part of our program. We must admit that we have been surprised by this policy of either-or in such a radical form, with more emphasis on the or. And it makes us face problems for which Slovakia has not been prepared. It is able to stand up to them but the price will be exceptional strain. [end recording]

Kovac Discusses Slovak Policy Statement

LD0907215392 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1000 GMT 9 Jul 92

[Text] Roman Kovac, current deputy Slovak prime minster, would be a very suitable candidate for Slovak president, Jozef Prokes said at a news conference held by the Slovak National Party.

Mr. Svec, a Slovak National Party federal deputy, spoke about Federal Defense Minister Imrich Andrejcak. He said the impression Mr. Andrejcak has made on people who know him from his military career is not the best.

Tamara Kemenyova interviewed Jozef Prokes, chairman of the Slovak National Party.

[Begin recording] [Kemenyova] The Slovak Government's policy statement will be on the agenda of the second meeting of the Slovak parliament on 7 July. You have said that although there was only a very short time to study it, you have some concrete criticisms of it.

[Prokes] What we mainly lack is a specification of individual tasks. This policy statement is basically only a declaration. We are also concerned that some of its parts are mutually contradictory. The introduction speaks about the effort to become a subject of international law. To be a subject of international law must also be supported by economic sovereignty, otherwise we might be like Ukraine, which was an UN member but was still fully dependent on Moscow. I think that if there is one center, as is envisaged in the Slovak Republic's policy statement, we will not be able to secure this economic sovereignty.

[Kemenyova] There will be only one point on the agenda for Friday's session of the Slovak parliament: the adoption of the declaration of sovereignty of the Slovak Republic. At the news conference, you gave us two different drafts of this declaration of sovereignty of the Slovak Republic. I was mainly interested in one comment: that it was discussed behind the scenes that a declaration will be adopted, and it will be followed by the resolution of the Slovak parliament that the Constitution is still in force.

[Prokes] To be more exact, we received this resolution as a part of the materials for talks in the Presidium along with one of the drafts of the declaration. The second draft was distributed there—I know that other drafts also exist. However, as long as a law is not adopted, the current legal state of affairs is not changing.

[Kemenyova] Why this resolution then?

[Prokes] Some people probably worry that this political declaration could be used in the future as a law and a basis for actions, or that some federal decisions that damage the Slovak Republic will cease to be implemented. In my view, the Slovak parliament should adopt a constitutional law on sovereignty of the Slovak Republic, as we already proposed in the previous period

and as we again presented to the Slovak parliament, to make sure that economic issues of Slovakia could be really tackled within the jurisdiction of the Slovak Republic.

[Kemenyova] In case the Slovak constitution is adopted the Czech side is also preparing its own bill for a constitution. If the Czech side also adopts its own constitution, what then?

[Prokes] If I refer to the currently valid Federal Constitution—I cannot recall the exact article—there is one article that says the federal Constitution is valid until the republics' constitutions are adopted. In other words, if the republics' constitutions are adopted the federal Constitution will no longer be in force, and in this way the federation will break up.

[Kemenyova] In this way the referendum will be bypassed.

[Prokes] To some extent this is true, but I think the issue of further cooperation with the Czech Republic—for example, on the basis of the article that is in the draft of the Slovak constitution that says the Slovak Republic can enter into an alliance with another republic—this needs to be solved on the basis of a referendum. [end recording]

Slovak Interior Minister Expresses Opinions

LD0907194892 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1000 GMT 9 Jul 92

[Text] Some commentators, above all on the Czech side, agree that a military uniform among the civilian suits when the new Slovak Government was appointed did not look very pleasant, and the appointment of Lieutenant General Jozef Tuchyna to the post of minister of the interior has caused a considerable stir. So you may be interested in the views of the new minister expressed in an interview—which is a part of our series in which we are introducing members of the Slovak Government. Magda Pospisilova conducts the interview with Minister Tuchyna:

[Begin recording] [Pospisilova] No other member of the new Slovak Government has been viewed with such surprise and attention by the public and by journalists as you, minister. This was caused by your general's uniform. Today you are here in a civilian suit. Does it mean that you have said goodbye to the uniform for ever?

[Tuchyna] I am still a soldier and shall be one until 30 September because there is a law on release from active service which was delivered to me on 30 June. I shall be released on 30 September.

[Pospisilova] Minister, in Czechoslovakia there still is a certain feeling of fear of the Ministry of the Interior. It was not incidental that one of its leading representatives called it the Ministry of Fear. How do you want to change this attitude? What have you done for it when you took over the office, and what will you do next?

[Tuchyna] Let those who consciously or in any other way are breaking the law be filled with fear! We, and the ministry, and all its organs are here to protect the interests of citizens, to protect the interests of this republic. I do not see why citizens who are working honestly, who are earning their living honestly, are contributing to the prosperity of this republic should fear anything.

Just like any other ministry, this ministry too will in the near future be subjected to organizational changes. This will be basically from the point of view of its functions. The content of the ministry's work will not be changed, however. It will be necessary in the future—and this after all is included in the policy statement—for other bodies to be incorporated into this Ministry. This will most probably include the border police, the civil defense, and some other sections. Naturally, because of this, other bodies which are part of the ministry now will be transferred to other responsibilities in the future.

[Pospisilova] Do you mean by this the civilian administration section, National Committees?

[Tuchyna] Above all the civilian administration section, because the extent of responsibility of the Ministry of the Interior would be far too big and this section belongs most probably under the powers of the government office.

[Pospisilova] In democratic states the police force is created as a civilian service for the protection of citizens. There have been some who have said that you as a general, even if you wanted to could hardly rebuild the police from a military body into a civilian one. What, therefore, will happen to the process of turning the police into a civilian body—a process which was started some time ago—and how will you continue it?

[Tuchyna] I do not intend to prevent this process. However, we have to realize that those uniformed boys who are on our streets will remain on our streets. And furthermore, I shall strive to strengthen the capacity of this police body because it ensures direct protection, law and order in our towns, on our roads. Thus we shall have to look at the transformation into a civilian body somewhere else. It will be neccesary to see it above all in the improvement of behavior and manners of our police members. The transfer to the civilian image should be carried out in areas—in various offices— where activities which are not directly linked with carrying out police activities are taking place. There we should have citizens without uniforms and this would bring them closer to the rest of the citizens: there a citizen should see citizens in them.

[Pospisilova] Mr. Minister, the movement of personnel has already begun in some ministries. Do you envision radical replacements of personnel or radical personnel cuts in the Interior Ministry as well?

[Tuchyna] The transfers of personnel have begun. In fact, they have begun because of the government's decision to recall all deputy ministers. There were two deputy ministers in the Interior Ministry and both of them were recalled from these posts. I do not like overnight radical transfers. What is understandable is that each minister, or every other official is building up his office according to his own conceptions and it is natural that he will assign jobs to people or to groups of people in line with these conceptions. But no matter whether you like it or not, a minister is a minister, and he is a representative of the ministry, while his policies are normally pursued by his apparatus.

[Pospisilova] You have evidently already singled out a state secretary, your statutary deputy. I do not know whether you will reveal his name but if not, then tell me this: Is he going to be from the Movement for a Democratic Slovakia [MFDS] or will he be nonaffiliated?

[Tuchyna] Secretaries of state will be appointed by the government, and so let us leave this decision to the government.

[Pospisilova] The Federal Security Information Service [FSIS] has been a bone of contention over recent months. Some of its powers should be handed down to national ministries. Can you tell me which of them will remain on the federal level and which will be devolved to the republics? Can you also tell me how you envision cooperation with the existing FSIS?

[Tuchyna] First and foremost it must said that the FSIS was not run by the Interior Ministry. It was controlled by a Federal Assembly committee. The fact is that, in the spirit of agreements made in the course of drafting the policy statement, it was agreed that the FSIS would be delimited between the two republics.

[Pospisilova] Does this mean that you can talk about the powers in specific terms?

[Tuchyna] Well, as for the powers...[Tuchyna changes thought] You see, the Federal Information Service, no matter whether it is Slovak, cannot fall under the jurisdiction of the Interior Ministry. Naturally, we shall have to adopt a legislative measure both to set up and to manage this service.

[Pospisilova] However, over the last two years the Interior Ministry has been a venue for fighting among political parties and political interests. If they did not fight for who will manage it, then they fought at least for controlling it.

[Tuchyna] It is understandable that because of the powers it has it was generating interest among individual political parties. I can tell you that the apparatus of this ministry has been depolitized and that this apparatus will not be able to be affialiated to any political party in the future either.

[Pospisilova] Mr. Minister, what is the situation with your own political affiliation? It is known about that you joined the government as an indepedent candidate. Nevertheless, there was an idea to put your name on the MFDS candidates' list even before, when you were in your former post [of commander of Military Command East]. This idea speaks for itself. And so, what is the situation with regard to your political independence?

[Tuchyna] Look, I am not a MFDS member and I am not going to be one. The fact that I was able to get on the cadidates' list boils down to the fact that this movement was selecting people possessing certain professional qualities, people whose qualities were a guarantee of holding any post. Therefore, when I received signals that I could be nominated, I turned down this option. After all, I wanted to remain independent and I will remain independent. You are naturally aware, and the public is aware too, that the government's policy statement is based on MFDS policy. And thus my duty is to execute the government's statement along those lines.

[Pospisilova] Often the broad public evaluates the work of the police according to the speed with which policemen impose fines for even small traffic offences. On the other hand, such things as the latest drugs in a Hungarian restaurant, as NOVY CAS reported, and so on and so forth, are escaping police attention. So, how do you want to change the public's view of the police?

[Tuchyna] Naturally, from the point of view of ensuring objective investigation or preventing the process of investigation from being thwarted, not everything can be published. I could quote illegal money circulation and tax evasions. Our ministry is interested in all of that. I can assure you that today, in this room where we are sitting now, I am due to meet with the prosecutor general, with representatives of the Finance Ministry and the Privatization Ministry. This alone should be enough for you to see what range of problems we are going to tackle.

However, combatting criminality must encompass a wider circle of questions, above all preventive and educational ones and the powers of the ministry alone cannot meet this challenge; it will have to be joined by all of us as citizens. [end recording]

Deputy Chairman Discusses Constitutional Talks

LD1107213992 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1630 GMT 11 Jul 92

[Text] A meeting of leading governmental and parliametary representatives of the Slovak Republic in Trencianske Teplice ended today at the crack of dawn. There were very few information leaks about the discussions which were held behind closed doors. Therefore, we have tried to supplement incomplete reports from last evening by the fresh impressions of those who participated in the talks. Although we tried to catch several of the participants, we succeeded only with Peter Weiss, first deputy chairman of the Slovak National Council and chairman of the Party of Democratic Left. I began my interview returning to the information given

by Federal Deputy Premier Milan Cic last evening to a press agency correspondent when he said that there were still five or six points of the Constitution to finalize. Did the participants in the Trencianske Teplice meeting manage to finalize the disputed issues?

[Begin recording] [Weiss] It will be necessary to have more discussions on the final and temporary stipulations—not only, so to speak, on the level of experts of constitutional law but above all on the political level.

We failed to finalize questions concerning a solution to the government crisis and the parliamentary crisis because fears emerged—I expressed them too—that under certain conditions the executive power could become too strong or a president could become too strong or a possibility could emerge of artificially creating parliamentary crises. This issue is still to be discussed.

In principle we agreed on the form of the Slovak flag. A consensus was achieved that there is no need to change the Slovak anthem—the first two verses of the "Nad Tatrou sa blyska" anthem are to be preserved. An agreement was achieved on the issue of control, control bodies. We also agreed on how state secretaries should function—they should be appointed by the government and at the same time they could deputize for ministers although they would not be members of the government. Finally, an agreement was achieved regarding the result of a referendum—the participation of an absolute majority of the electorate is required, an absolute majority of the participating voters has to decide about the result and a three years' time-limit for repeating the same question [in a referendum] was determined.

This draft Constitution did not accept the institution of military courts.

[Correspondent] You said that the issue of the future Slovak flag had been finalized. What is the flag to be like?

[Weiss] In fact, it is going to preserve its present form but the emblem of the Slovak Republic is to be added. The view prevailed that it should not be positioned in the middle of the flag but in one third of the flag.

[Correspondent] If you were to characterize or assess the meeting held in Trencianske Teplice yesterday, would you say: All content? Or were there some issues which you still consider not to be finalized from your point of view?

[Weiss] This was a meeting of the premier of the government and the deputy premier with the chairman and deputy chairmen of the Slovak National Council, attended also by the chairman of the Federal Assembly. It was, above all, a political discussion about the above mentioned open problems of the Constitution. From our point of view I consider the most important issue to be a decision about the final and temporary stipulations in the Constitution of the Slovak Republic which would prevent a constitutional crisis.

As far as satisfaction or dissatisfaction are concerned, the meeting had a working character and lasted until 0500. Thus, I am happy I got a bit of sleep afterwards.

[Correspondent] Why was the meeting not attended by representatives of all the parliamentary parties? The Constitution is, in fact, the a national document and it is not going to be valid just for one or two years but for some time to come.

[Weiss] Personally, I am sorry that representatives of all the parliamentary parties did not participate in the talks of experts—but perhaps taking into account who among the experts participated, including Academician Cic, Associate Professor Fogas, and others it has not been possible so far to create conditions for the participation of representatives of other political parties, too.

Anyway, the issue was to present the first variant of the draft Constitution based on the proposals prepared by the previous parliament and based also on discussion about the Constitution draft. Academician Cic, head of the collective of experts, presented this Constitution draft to us, and also presented it to the chairman of the Slovak National Council and the premier of the Government of the Slovak Republic. This draft Constitution will, of course, be studied by the committees and will be the subject of a wide-ranging discussion in the Slovak National Council and certainly will be open to other comments and proposals.

[Correspondent] Is such a meeting on this level going to take place again, and if so when?

[Weiss] I think that a meeting on such a widely outlined range of issues on the Constitution is not going to take place again because more work on the Constitution is to be done by the parliament and its committees. [end recording]

Council of Europe Secretary General Arrives

LD1207184292 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1500 GMT 12 Jul 92

[Text] Catherine Lalumiere, secretary general of the Council of Europe, arrived in Slovakia this afternoon on a two-day visit. She began her visit with a working luncheon hosted by Slovak Deputy Prime Minister Milan Knazko. Catherine Lalumiere then met Prime Minister Vladimir Meciar. She will meet Slovak National Council Speaker Ivan Gasparovic.

New Slovak Government Finds Devastated Economy

AU1107142592 Bratislava PRAVDA in Slovak 1 Jul 92 pp 1, 2

[Report by Frantisek Melis: "They Detracted From Their Predecessors and From Themselves"]

[Text] Bratislava—The newly appointed Slovak Republic Government led by its prime minister, Vladimir Meciar, met in its first session on the last day of June. An atmosphere of bewilderment dominated yesterday in the building where the Slovak cabinet convened. The reason was the sharp reduction in the Slovak Government Office apparatus planned for 1 July. Of its staff of approximately 120, 75 employees are leaving today.

The personnel and system changes were one of the main items on the agenda of yesterday's session. "These changes were necessary because of the departure of the former government members and the shift in the concept of the government," Vladimir Meciar explained the move at the news conference. He added that 53 deputy ministers were recalled. The government is preparing a five-ministry reduction of the cabinet and changes in the system of management at the remaining ministries. This means that the posts of deputy minister will be abolished and replaced with 15 or 16 state secretaries. Furthermore, the government decided to recall deputy chairmen of the Slovak Environment Commission, Chairman of the Slovak Antimonopoly Office Jan Korenovsky, and Jozef Olah, head of the Slovak Republic Government Office. At the same time, it appointed Engineer Ivan Lexa to the last named post. It named Ivan Mjartan deputy minister of culture, and recalled Anton Vavro from the post of the Czechoslovak State Bank deputy governor in charge of the Slovak Republic on his own request. The prime minister voiced his conviction that the new government cabinet members will consistently protect the interests of Slovakia.

One of the conclusions of yesterday's government session is the change of the decision of its predecessor regarding the period salaries and benefits are to be paid to both past and present government members upon their leaving the office. The period is reduced from four to two months, which corresponds to the Labor Code, as Vladimir Meciar pointed out. In well-founded cases, the prime minister may extend this period. Meciar also emphasized that the government made it compulsory for its members to make public at the end of each calendar year how much money they gave to causes beneficial to the public and charities. As early as May, they will donate the money obtained from salary raises to these causes.

The appropriate cabinet members are to draft a Slovak National Council bill on organization of ministries and other central bodies of state administration as soon as possible. The government confirmed the composition of its Presidium as follows: Prime Minister Vladimir Meciar, Deputy Prime Ministers Roman Kovac and Milan Knazko, Minister of Finance Julius Toth, Minister of Economy Ludovit Cernak, and Interior Minister Jozef Tuchyna. Following the government session, the Presidium dealt with the structural changes in all ministerial bodies, a plan of trips abroad for the near future, and personnel issues at the Slovak Republic Government Office. Bohuslav Geci, until now press secretary of Movement for a Democratic Slovakia Chairman Vladimir Meciar, was appointed director of the Press and Information Department.

Olga Keltosova, minister of labor and social affairs, tabled a proposal to increase social security benefits. As she said at the news conference, as early as at the end of June there were not sufficient financial means in most districts of the Slovak Republic to pay the obligatory benefits to people who depend on them. The people on the borderline of social dependence will still receive these benefits in July and August, and then the government will ask the Slovak National Council for a legal amendment to the budgetary regulations. According to an analysis distributed by the minister to among her colleagues almost one-quarter of households in Slovakia live on the borderline of social dependence. To provide social benefits for all of them, 1.2 billion korunas is needed. In addition, Olga Keltosova observed that this year's budget has not taken into account the increase in pensions scheduled for 1 July. This will require another 1.8 billion korunas. The newly appointed minister inherited a deficit of 3 billion korunas needed to provide the social benefits.

The prime minister also said at the news conference that the principles of the government policy statement have been discussed, and the statement will be presented for examination by the Slovak National Council bodies on 6 July. According to the first indications by the finance minister, the state economic situation is very bad, and a special session of the government will be dedicated to these issues. The cabinet members also discussed the management of Slovak Republic Ministry of Culture on the basis of an audit, and according to Vladimir Meciar, the results are shocking. He mentioned an example of the loss from the Slovak National Gallery collection of work of art valued at 18 million korunas with no suspect found. (It deserves to be noted that the wife of former Culture Minister Snopko is director of the gallery.)

In the context of today's visit by President Havel to Bratislava, Meciar said that he wants to introduce members of his cabinet to him, and since Vaclav Klaus will accompany the president, talks among this trio are expected, which might decide on the personal composition of the Federal Government and help to clarify some other points.

Bank Official Views Slovakia's Separation

AU0907131292 Prague LIDOVE NOVINY in Czech 3 Jul 92 p 6

[Interview with Pavel Kysilka, assistant deputy governor of the Czechoslovak State Bank, by Petr Husak and Ivo Polisensky; place and date not given: "Where Does Slovakia Go"]

[Text] Why did Anton Vavro asked to be released from his post of deputy governor of the Czechoslovak State

Bank? This is a question we asked Pavel Kysilka, assistant deputy governor of the Czechoslovak State Bank [SBCS], in charge of Czech Republic affairs.

[Kysilka] At the beginning of the meeting of the Bank Council on 29 June, Mr. Vavro brought a letter in which he stated that he was resigning from his post. Now, the governor must inform the president. He is the only one who may appoint and recall the Bank Council's members. Mr. Vavro said that in the current political and economic situation in Slovakia, it is likely that he would not be able to perform his function in the best accordance with his conscience. He did not elaborate on the reasons for his resignation.

[LIDOVE NOVINY] The SBCS is in charge of the stability of the currency. I am afraid that the forms of the constitutional setup as suggested by the For a Democratic Slovakia Movement [HZDS] put even this principal objective of the SBCS—as a monetary institution—at jeopardy. If we want to reach our objectives, we must have basic prerequisites for it. They are, among other things: a unified, disciplined and coordinated government and economic policy. If the HZDS economic program were implemented in Slovakia—and in the Czech Republic, the coalition government program—then this would really be an absolute "separation," mainly due to the different budgetary policy. The Slovak budget would likely be a deficit-type budget. In such a case, the government usually issues bonds—securities backed by the government—by which it hopes to attract people's savings. By doing this, the private sector, for which there is no money left, is simply pushed out. No one can be forced to buy government bonds. People buy them on their own free will. To make people buy them, the government must increase the interest on their bonds. Again, increased interest has a negative impact on the entrepreneurs. If a government goes deeply into debt, it will fall into the debtor's trap. If it wants to meet its obligations, it must issue new securities. It falls into the so- called debtor's spiral [dluznicka spirala]. In this situation, the central bank can adhere to the so-called accommodative [akomodativni] or non-accommodative [neakomodativni] policy. In the first case, it tries to release little money into the economy, while being aware that voters will settle this matter directly with the government in the elections. However, no central bank will be able to stick to this policy for a long period of time. Under the pressure of the government and the entrepreneurs, it will release more money into the economy. On one hand, by issuing government securities, the government "steals" money from the economy, and on the other hand, it demands that the central bank pump it back in. This is called monetization of the government debt. Part of the money that the central bank releases into the economy is used to buy debentures from the government and prints inflationary money. Should one part of the Czechoslovak federation fall into a similar debtor's trap, then everything that our economies have in common gets spoiled. It would make our common currency worthless and in turn, the entire economy of the federation. I personally think that the given example is one of the reasons why Anton Vavro found out that there is a discrepancy between the economic policy of the Slovak Government and his own ideas about the job of SBCS deputy governor.

[LIDOVE NOVINY] Mr. Knazko said recently that some SBCS jobs will be subject to discussions between the Civic Democratic Party and the HZDS....

[Kysilka] I am not surprised at all by this attack on the SBCS. After all those speeches about the international status, the HZDS reached the core of the problem—money. The Central Bank is a great obstacle to the implementation of the new Slovak Government's economic policy. This is why Knazko attacked the job of the governor. There is one more thing related to the discussions regarding monetary policy and the SBCS. They have an idea in Slovakia—an idea represented by Huska, Kovac, and Tkac—that the sovereignty that commercial banks enjoy today should be limited. In their opinion, these banks should allocate credits to enterprises and industrial branches according to a centralist decision of the state. This is the second reformist wave of the sixties. To a great extent, this vision is similar to Polish and Hungarian economies of the eighties.

[LIDOVE NOVINY] What is your opinion on the possible exchange ratio between the Czech and the Slovak koruna of 1 to 1.06, and on the intended issuance of several billion "investment" korunas in Slovakia?

[Kysilka] It is erronous to compute exchange ratios today. We cannot compare labor productivity only. The currency exchange ratio depends on the market. It reflects the trust in the currency, the political development in the given country, etc. People are willing to give you a certain sum for a German mark without paying attention to labor productivity. It is nonsense to define exchange ratios in that way. Moreover, there is only one koruna. Investment korunas, korunas for wages—this type of pigeonholing was done under the socialist regime. Today we are in 1992, and Mr. Tkac thinks about issuing 10 billion "investment korunas" designated for the infrastructure. He believes that they are not inflationary because they will induce a greater demand in the future. The results of investments in the infrastructure are usually planned to appear in decades, and they are mostly indirect results. It is an illusion to think that they do not have inflationary effect.

[LIDOVE NOVINY] What would be the worst thing for the economy to happen today?

[Kysilka] A no-win situation, which would prolong today's uncertainty, would be the worst. If we have a would-be common state, but with two different economic policies. If the central bank was unable to perform its function according to the law: retaining the stability of the currency. Demanding two centers of issue is an unequivocal attempt at dividing the bank. The separation of the currency was the main reason for the division of Germany in 1949.

ODA's Kroupa Fears Political Trials in Slovakia

AU1307120092 Prague CSTK in English 1510 GMT 10 Jul 92

[Text] Prague July 10 (CSTK)—ODA [Civic Democratic Alliance] Deputy Chairman Daniel Kroupa today said it is possible that political trials may take place in Slovakia.

Kroupa was commenting on Thursday's [9 July] statement by Slovak Premier Vladimir Meciar (HZDS—Movement For a Democratic Slovakia chairman) who rejected attempts to establish autonomy for the 600,000-strong Hungarian minority in Slovakia. In case a nation state is formed in Slovakia and a similar approach towards the minorities would be used, the minorities can be expected to seek protection elsewhere. This could cause conflicts within the state as well as on the international scene, Kroupa told a news conference.

He said the Czech Government and the Czech Republic can do nothing else but seek their own way of shaping their state because "for two years Slovak political representatives have been striving to weaken the common state (of Czechs and Slovaks) and the Slovak Government and the HZDS are not hiding their intention to hinder the activities of federal bodies".

"If the country is to be divided, then we would like to see Vaclav Havel in the post of Czech president", Kroupa said.

Antall Briefs Reporters on Helsinki Meeting

LD1007223692 Budapest Kossuth Radio Network in Hungarian 1630 GMT 10 Jul 92

[Report by correspondent Istvan Kulcsar on news conference by Prime Minister Jozsef Antall in Helsinki following the CSCE summit meeting—passages within quotation marks are recorded]

[Excerpts] The prime minster's plane landed in Budapest at around 1500. Before that, he held a news conference in Helsinki where Istvan Kulcsar represented this program:

[Kulcsar] [passage omitted] Prime Minister Antall said:

[Antall] "I would like to highlight my meeting with President Yeltsin. [passage omitted] Since the Soviet coup, we have had very good personal relations and I would like to confirm here that we have fixed our stands on the zero balance agreement. We had already established this in December 1991 in theory, but since then and recently, news and interpretations contrary to this have come up. This means that we will determine the demands related to the Soviet troop withdrawals on the basis of a zero balance. Our existing foreign trade surplus, will naturally be settled on a commercial basis, through trade. We both established that we consider it very important to improve all aspects of Hungarian-Russian relations, and thus we must clear away this obstacle, and the best way for this is the zero solution. [passage omitted]"

[Kulcsar] Following this, Prime Minister Jozsef Antall answered questions from foreign correspondents. The first question was: Was it raised at the bilateral talks what sort of aid should West Europe give Hungary to help solve the refugee problem?

[Antall] "We shall first carry out negotiations with Austria next week, and we shall act together with the Austrians so that other parts of West Europe should also participate in bearing the mutual burden. Anyway, the negotiation must be carried out with the United Nations, and this is under way in Budapest. [passage omitted]"

[Kulcsar] The next journalist asked what Antall expects from the CSCE fact-finding mission to be sent to Vojvodina.

[Antall] "We hope that the communique in connection with Yugoslavia will be approved and this will affect Vajdasag [Vojvodina] as well. We consider it important by all means that together with Kosovo, Vajdasag should also be given the same emphasis in the international manifestations and within this, we could facilitate the security of the Magyardom of Vajdasag.

"Indirectly, it was very important from this point of view, that besides the reception of political refugees, we were able to call the world's attention to the deportation intentions that happened to the Bosnians. Thus, we receive the political refugees but we want to prevent the deportations that are aimed at the homogenization of the population. This is why it was important that we could disclose this to the world, and in this we are already cooperating with Austria. [passage omitted]"

[Kulcsar] The final question was whether Prime Minster Antall considered the economic embargo against Yugoslavia to be effective, and does every state adhere to it?

[Antall] "I will speak about this question only in principle. This embargo can in my opinion be maintained only for a short time. This is a good method for a short period; it is effective when combined with other steps. If it is maintained for a long time, then often it causes more harm to those implementing the embargo, to the peoples themselves, and more importantly, it is eroded. So, this can definitely not be maintained for a long time. It must be taken as an appropriate tool to effect a turnabout.

"Hungary adheres to the declared embargo. Wherever we differed, we always did so in an open and official manner.

"I dare to presume that very probably not everyone is adhering to the embargo. I do not wish to name countries; it can be supposed that countries both near and far are breaking it."

Hungary Ready To Discuss Yugoslav Settlement

LD1007083192 Budapest Kossuth Radio Network in Hungarian 0800 GMT 10 Jul 92

[Text] Hungary is ready to take part in further consultations on a southern Slav settlement, whether within the framework of the UN or that of the EC. This was stated by Andre Erdoes, Hungarian ambassador to the UN, in the debate of the UN Security Council. He added: For Hungary's part, it is highly valued that the issue of national minorities is handled as an organic part of the southern Slav crisis. At the same time, UN Secretary General Butrus Ghali said, in an evening television statement, that further steps by the world organization in the affair of Yugoslavia were not expected for the time being.

Defense Ministry Official on Military Capabilities

AU0907131492 Budapest NEPSZABADSAG in Hungarian 3 Jul 92 pp 1,3

[Interview with Defense Ministry State Secretary Erno Raffay by Gabor Horvath; place and date not given: "The Possibility of a Military Solution Is Excluded"—first paragraph is NEPSZABADSAG introduction]

[Text] The Hungarian military attaches recently participated in their customary summer conference. Defense Ministry State Secretary Erno Raffay granted us an interview on the issues that were discussed at the meeting.

[Horvath] You held this routine conference during a special situation, since a war is being waged close to our borders.

[Raffay] The conditions in our region are dictating our tasks. However, instead of the Yugoslav crisis, I will begin from the premise that a new world order is taking shape, and this also demands different diplomatic methods. The current process of restructuring led to a crisis and an open war in Yugoslavia—something unprecedented in Europe in the past decades. We must know every detail of the situation in Yugoslavia to be able to find answers and defend ourselves. There was a time at the beginning of this year when we did not know for sure what Yugoslavia's intentions were concerning Hungary. Therefore, it is extremely important to give adequate tasks to the military attaches. The crises in this region will hardly end once the Yugoslav war subsides. Each country's economy is in pieces in this region, and one can feel the religious and ethnic conflicts along our borders, both in the East and the North. We told our attaches that their task was to follow the signs of the current and potential crises, and to send as much information as possible, legally obtainable information, of course.

[Horvath] You openly praised the military attache in Belgrade, and now you are talking about a threatening situation in which the government feared a possible attack.

[Raffay] There was a time when we did not know the extent to which the military leadership in Yugoslavia had lost contact with the political leadership and who gave orders to whom in the Yugoslav military leadership. We had to react to the temporary situation prevailing in Yugoslavia as safely as possible. There was no talk of a possible military attack.

[Horvath] Hungary has to work out a new defense doctrine at a time when dangerous situations are threatening us along our borders. Hungary could be forced to display a strength that exceeds its ability.

[Raffay] A regime that was endangering the life of the people living here has collapsed in this region. Hungary and the other Warsaw Pact member states were targets for NATO's nuclear arms, something basically different compared with the current situation. Therefore, we told the attaches that it is important to strengthen Hungary's outside image as a peace-loving nation that focused on economic development and the creation of democratic institutions. Naturally, we must also prepare for the worst. Even if a military danger emerges, and such things have already happened, it is in the interest of every Hungarian citizen to avoid getting involved in any military adventure. Hungary's economic situation simply does not permit an arms buildup.

[Horvath] Many people think that the Hungarian Government would find it difficult to preserve its current calm if military atrocities were committed against Hungarians abroad, but that Hungary could still be unable to provide military protection to these people.

[Raffay] I did not say that Hungary would be unable to provide military assistance to Hungarians in a difficult situation in the neighboring countries. However, in my opinion, preventing such things is the only way to act—namely, to try to create a situation by exclusively diplomatic and economic methods—in which the governments of the neighboring countries recognize that the Hungarians are not a threat. As long as some politicians are still afraid of the Hungarians, it is impossible to improve the situation of the ethnic Hungarians living in these countries in a European way. Anyone who brings up the military option is insane. I am for prevention—something that can perhaps be accepted by anyone, both governing party adherents and opposition members.

[Horvath] Rumors began to circulate in Hungary about a possible purchase of arms from the West, while NATO members are considering the purchase of MiG-29 fighters. Are there any emotional factors involved in the Hungarian Government's activity of supplying the Hungarian Army?

[Raffay] Some of the weapons of the Hungarian Army are increasingly obsolete, but our neighbors have the same weapons. A developmental concept of the Hungarian Army is being prepared, and will be submitted to the government this autumn. We must keep the existing weapons in operation to their limits; in other words, we cannot disregard Russian imports. We would like to build the best possible relations with the Russian military industry, the Russian Army, and with Russia in general. The Soviet Union does not exist anymore and the Soviet troops have withdrawn from Hungary. This means that we have to free ourselves of all kinds of ideological and other prejudices. We also depend on them for arms. We count on the supply of arms from Russia and Ukraine. It is another matter that, just like the West, their arms are very expensive. We would also like to introduce Western arms into our army. The Finnish situation could be a model here: They have both Soviet and Western arms. The basic principle of our army is that we will purchase goods allowed by Hungary's economic situation. We cannot pay cash for Western arms. However, very modern Western weapons will be introduced in our army as early as this century.

[Horvath] Is it possible that the Air Force will enjoy priority in this development project, and that soon you will be able to calm the population along our borders so that there will not be a repeat of the Barcs incident?

[Raffay] Yes. This is our desire. Air defense is indeed one of our priorities. However, I would like to put the population at ease now: There is no big difference between the neighbors' arms and our arms, and our soldiers are capable of serious achievements with their current equipment. We would use Western arms to strengthen our defense capability, rather than to conquer neighbors.

Gergatz Visits Moscow, Discusses Food Exports

LD1007182892 Budapest MTI in English 1401 GMT 10 Jul 92

[Text] Budapest, July 10, 1992 (MTI-ECONEWS)—During talks in Moscow earlier this week, Hungarian

Minister of Agriculture Elmer Gergatz discussed possible food exports from Hungary to Russia in the second half of this year and technical cooperation in food production, a Ministry of Agriculture official told ECONEWS today.

The Hungarian minister offered technical assistance for maize, sugar-beet, sunflower and grain production, and for pig breeding and processing.

Ministry officials were not able to provide exact figures of Hungarian food exports to Russia in the first five months of the year. However, Hungary's total exports to Russia during this period, worth USD [U.S. dollars] 560 million, consisted primarily of agricultural products. Hungary imported practically no food from Russia during this period.

Bela Kadar on Trade Ties With Italy

LD1007083592 Budapest MTI in English 1637 GMT 9 Jul 92

[Text] Budapest, July 9 (MTI)—Hungarian-Italian trade ties are strong and significant as signalled by Hungary being the first East-Central European country where an Italian Chamber of Commerce was opened, Hungarian International Economic Relations Minister Bela Kadar said at an opening press conference today.

Hungarian-Italian trade has trebled over the past decade. Last year, Italy's share in Hungarian exports was 8 per cent. By the end of this May, it has reached 10 per cent.

Nearly 300 Hungarian-Italian JVs [?joint ventures] operate in Hungary. Italian capital invested in Hungary has totalled nearly 200 million dollars, 5 per cent of all foreign investments in Hungary.

The path of Italy becoming a developed industrial country can serve as an example for Hungary, Italian Ambassador Vittorio Amedeo Farinelli said.

The President of the Italian Chamber of Commerce in Hungary is Arpad Bartha, Hungarian Foreign Trade Bank general director, who said 40 of the 300 Hungarian-Italian JVs have joined the chamber to date.

Former President Expelled From ISP

LD1207085292 Budapest MTI in English 1735 GMT 11 Jul 92

[Text] Budapest, July 11 (MTI)—The Independent Smallholders Party (ISP) Disciplinary Committee ruled today to expel former party president Jozsef Torgyan from the ISP and deprive him of all posts as of 10 July.

The ruling is appealable within 15 days but may be overruled only by the ISP National Congress, ISP General Secretary Bela Nemeth told the press after an ISP national leadership meeting today.

The disciplinary proceedings against Torgyan were initiated by the ISP National Presidium a month ago.

After hearing the witnesses and examining the evidence, the Disciplinary Committee stated Torgyan has violated the ISP statutes, in force since 11 January 1992, several times.

Torgyan has repeatedly ignored party body resolutions and positions, party spokeswoman Emese Ugrin said.

Torgyan, for example, made an arbitrary decision in setting the date of the "day of anger", an ISP demonstration in Budapest, and, before the demonstration, he entered into alliance with various extremist forces, Ugrin said.

Investigation revealed Torgyan has used the ISP's financial resources without the Presidium's permission, gave unlawful orders about substitution before his trips abroad, and violated the party statutes by concealing from relevant officials party documents and letters casting a shadow on him.

In its ruling, the Disciplinary Committee stated Torgyan has discredited the ISP both in internal and external affairs by his activity violating party interests, and by launching a petition campaign to undermine Parliament's authority.

At present, the most important goal is to restore the ISP's prestige and unity, Bela Nemeth said.

The ISP wants to concentrate on asserting smallholders, interests in future as well, he added.

The parliamentary group of the ISP, a member of Hungary's governing coalition, split last year. The majority, a 35-strong group, refused to follow Torgyan. His followers in Parliament, a 10-member group, practically got into opposition after early this year Torgyan and his partners in the national leadership decided to leave the ruling coalition.

Pawlak Dismissed; Suchocka Forms New Government

Sejm Dismisses Pawlak

LD1007140292 Warsaw PAP in English 1326 GMT 10 Jul 92

[Text] Warsaw, July 10—The Sejm (lower house) on Friday [10 July] dismissed Waldemar Pawlak from the post of prime minister. 286 deputies voted for the dismissal, 11 were against and 107 deputies abstained from voting.

Pawlak Resignation Speech

LD1007154992 Warsaw Radio Warszawa Network in Polish 1306 GMT 10 Jul 92

[Address by outgoing Prime Minister Waldemar Pawlak in the Sejm—live]

[Text] Mr. Speaker, may it please the house. I have held the office of the chairman of the Council of Ministers for over 33 days now. I have not treated my work as a preparation for the creation of another government. I wanted to create my own coalition government, a government that would, through its work, serve the state and society well. Circumstances made it impossible for me to implement this intention. I am convinced that the decisions undertaken in this period were beneficial for the state. I think that the experiences attained will be helpful, not just for me and for the Polish Peasants' Party, but for the whole of Poland.

In our political system, the responsibility of the prime minister for government decisions is always personal. I thank the president and also those colleague deputies who made it possible for me to undertake this responsibility. I thank the ministers of the previous government and the heads of ministries appointed by me for their cooperation. I also thank all of those who shared their experience and knowledge with me. I have, over these days, met many people for whom it is worth being prime minister. I wish to publicly thank them from this spot.

Politics for me is never an end in itself. In other words, the post of prime minister at any price was not my aim, nor the success of the Polish Peasants' Party in a fashion contrary to our program. That is why I could not accept all the compromises.

In the face of the circumstances that have arisen, I confirm my resignation from the post of chairman of the Council of Ministers. When it is accepted, I will return to my former role, with a feeling of greater strength, and the conviction that the Polish Peasants' Party must do much to be a party codeciding the fate of the country. I believe that the seed sown today will bring a better harvest tomorrow. [applause]

Suchocka Elected Prime Minister

LD1007203692 Warsaw PAP in English 1628 GMT 10 Jul 92

[Text] Warsaw, July 10—The Polish Sejm (lower house) on Thursday [9 July] approved the nomination of Ms. Hanna Suchocka as prime minister by 233 votes to 61, a majority of 172. A further 113 Sejm deputies abstained.

Ms. Suchocka was supported by 7 out of the 8 parties which agreed last weekend to form a coalition cabinet. She also received the votes of deputies from Poland's German minority, and from the Small Labour Solidarity (SP) grouping.

Deputies from the Centre Alliance (PC), which on Tuesday walked out of the coalition negotiations, abstained, as did the Confederation for an Independent Poland (KPN), Christian Democracy (CHD), part of the post-Communist Democratic Left Alliance (SLD) and some deputies from former PM [Prime Minister] Waldemar Pawlak's Polish Peasant Party (PSL).

Other deputies from SLD and PSL voted against the motion. They were joined by supporters of ousted former PM Jan Olszewski from the newly-formed Movement for the Republic, and Janusz Korwin-Mikkes Union for Real Politics (UPR).

Prime Minister Addresses Sejm

LD1007194992 Warsaw TVP Television Second Program Network in Polish 1603 GMT 10 Jul 92

[Address by newly elected Polish Prime Minister Hanna Suchocka to the Sejm—live]

[Text] Mr. Speaker, Ladies and Gentlemen Deputies:

The Polish state's independence is an unquestionable fact. Its value is all the greater since it has not been given to us by fate, history, or a foreign power. The independent and sovereign Republic was born of the toil and struggle of its citizens. The past three years have proved irrefutably that the Polish nation has met the challenge posed to it by regained freedom. The past three governments, although they did not avoid mistakes, ruled Poland in a sovereign manner, deciding on the country's fate and not submitting to a foreign dictate. No force, internal or external, succeeded in taking possession of the Polish state for its own ends.

The guarantee of fulfilling the just rights and freedoms of the nation and unity are affirmed by a state in which no one is denied the right to truth and to express his beliefs, in which abilities and work are becoming more important than obedience and privileges. The days of general shortages and queues are over, inflation is decreasing, and the Polish zloty—about which spiteful anecdotes were told until recently—is becoming a normal currency. The best proof of this is the fact that savings are made in this and not in foreign currency.

The sovereignty and independence of Poland, the strengthening of its security, and the creation of beneficial, external conditions for developing the country's civilization and economy remain the lasting aims of our country's foreign policy. We are convinced that our country is capable of influencing its international surroundings in a manner corresponding to our interests, while at the same time favoring the creation of a better, secure, and successfully developing Europe. Today, Poland can establish a friendly policy with its neighbors. We also have reason to believe that we can expect our foreign partners to show the will to maintain good relations with Poland. Such an international situation is an opportunity that we must not waste.

May it please the house: The state must be directed by the principle of common good. The common good means that it belongs to the entire nation and not just to one group or political formation. Thus, the Republic should be the concern of all citizens. From this ensues the postulate of a policy of responsibility for the state. My government will energetically oppose the undertaking of political struggle in forms that can disturb the authority of state institutions. Citizens can expect justice from my government and reparation for injustice. However, we must all feel respect before the state and the law. I will not permit the law to be dragged through the mud. The state will manifest its power whenever the need arises. Poland can and will be a strong state.

My government will strive to ensure that Poland's strength will be in its regional communities. That is why we will take a second step as soon as possible on the regional self-management reforms that began in 1990 and are today dramatically lagging behind.

My mission must finally end quarrels and discord among political parties. We are creating a government of concensus for Poland today, a government of national accord. The foundation of this government is the mediatory role of Solidarity, confirming the greatness of the ideal that we brought to life in August 1980. The basis of the new government is the will of political parties to find agreement and the decisive will of the president in shaping a strong state.

I wish to say clearly that this accord and this cooperation constitute a condition that I set before you, ladies and gentlemen deputies, and all Poles. My mission will last only as long as this condition is being fulfilled by us all.

In the name of the raison d'etat, ideological discords must remain outside the government. The makeup of the coalition cabinet will compel its members to be mutually loyal.

Mr. Speaker, Ladies and Gentlemen Deputies: Work on the government that I will propose to the house has lasted for three days. Today, I will present only the main points on the future government's activities. I will bring before the house detailed social and economic programs, as well as deadlines for introducing individual undertakings, in the next three months. This concerns crystalizing reforms on public administration, education, the health service, and social insurances, that have been discussed and elaborated on for a long time now.

May it please the house: The recent, bad experiences have confirmed for us that the highest state authorities must cooperate with each other. The democratic concept of the division and balance of power signifies precisely the permanent ability of politicians to cooperate. The necessary cooperation between the Sejm, the Senate, the government, and the president must be regulated by the small constitution, whose quick adoption by the Sejm I expect and which, I judge, will create the fundamental conditions for this cooperation. We are not a nation of holy people. We will not hide the disturbing crime statistics from society. However, I categorically reject viewing our country as a nest of exceptional corruption, incompetence, and chaos. Enough talk about scandals, from which it does not transpire who is guilty and who remains without blame. My government will do everything so that criminals find themselves in jail, so that slanderers are punished, and so that those who are slandered are cleansed of suspicion. [applause]

I will demand that ministers immediately review the criteria and course for granting concessions and quotas. The government will introduce clear criteria and a procedure to follow in such cases. [applause]

The state must have an efficient police force. Resources are needed for it to function efficiently. The basic needs for this can be realized through implementing the budget law. In attempting to counteract customs and treasury crimes, we will rely on motivational mechanisms for the employees of the customs and treasury services, and on their dignified remuneration. Destabilization reigns in the Internal Affairs Ministry structures. It has been headed by five ministers, three police commandants, and four National Security Bureau leaders in two years. This Ministry clearly has too much power over the country. Restoring calm and stability and reducing the Internal Affairs minister's powers will be important goals of my government's policy on this Ministry. The Internal Affairs Ministry must serve the state and only the state. I see the vital need to create mechanisms whereby only honest people, competent people, free of secret links and not weighed down by collaboration with the communist political police to the detriment of the state's independence or fellow citizens, can participate in public life. [applause]

My government will begin, by 1993, to introduce the National Defense Ministry and general staff reforms prepared a year ago. The fundamental elements will be a division between the command and the civilian administration of the Army, integration of the general staff, and disposition of troops nationwide. The Armed Forces will be subordinate to the president's supreme control, in accordance with the Constitution. The Army will be reduced to about 250,000. This, however, does not mean a reduction in professional cadres, whose share in the

Army as a whole we want to increase gradually. I assure you that there will be room in the Polish Army for every worthy soldier.

Mr. Speaker, Ladies and Gentlemen Deputies: Improving the everyday lives of citizens, boosting the economy, and keeping tabs on inflation will be fundamental goals for the Council of Ministers. The principle for shaping the economic order remains the social market economy proclaimed in this chamber by the first noncommunist premier. It denotes a harmonious balance between the individual responsibility of every man for the survival of his family and social solidarity.

We want:

1. The state to decrease gradually the area of its own economic activity, concentrating on a system of legal regulation [words indistinct] in areas where the protection of the fundamental interests of the state or the security of its citizens demand it. The state will remain responsible, however, for the economic infrastructure.

2. Private property and the freedom to conclude agreements to be respected, and a stable system of law to provide a framework for market competition.

3. The principle of the state's auxiliary nature to be respected, restricting its functions to those that cannot be carried out by parishes, associations, families, and citizens themselves.

4. State aid to be given to those who truly need this help. It is immoral that the healthy and wealthy should take advantage of state aid on a level with the poor and the helpless.

5. The state to ensure that everyone has an equal start in life, guaranteeing all children access to basic and professional education, and those who are fairly gifted access to all schools.

May it please the house: The government feels that permanently overcoming the public financing crisis, improving the efficiency of enterprises through privatization, changes in state management methods, the modernization of agriculture, and the development of the supra-agricultural functions of the countryside are decisive indicators of economic reform's success.

The starting point for overcoming the public financing crisis is to implement the agreed budget. We will undertake steps to rebuild budget influences. We expect that the Sejm will adopt a law on the tax on goods and services very soon. The tax reform, thus brought to a conclusion, not only will ensure better collection of taxes but also will allow every citizen to obtain information about the taxes he pays.

A fair taxation system and a simplified way of paying taxes will bring the obvious truth closer to everyone, that the government can only spend as much money as it collects from citizens. Tax discipline is one of the most important elements of the citizen's responsibility for the state.

In Poland, a country with a low national income for Europe, it is impossible to increase the burdens on the national economy for the budget's benefit. This would stifle enterprise and deepen the recession. This is why reforming budget expenditures will play an exceptionally important role, above all by reforming the health service and education. It is also vital to limit subsidies in conflict with the policy being implemented.

May it please the house: Among all the countries emerging from communism, Poland's independent economists were the earliest to point to universal privatization as the chance for a radical change in the economy and the enfranchisement of citizens. Implementing privatization through employee-owned companies was specific to Poland. Similarly, we aim at property relations in the agricultural field in which farmers help divide the profits from processing their produce. My government will choose these forms of enfranchising society. They have the important advantage that they counteract the social conflicts caused by privatization. Unfortunately, privatization has become an opportunity not just for the enterprising and honest. We attach supreme importance to eliminating abuses, to clearing the bad atmosphere, and to accelerating privatization.

My government will create motivating mechanisms to make the incomes of those who manage state funds dependent on the results of their work. There must be no repetition of a situation where it would be worthwhile to degrade enterprises through privatization. The government will present the necessary draft laws within three months, including the state treasury law. We cannot allow the absurd habit of directors advising trade unions how to force the state to show tolerance for their inefficiencies to continue. We will assure workers' representatives of an insight into the state of the business of enterprises. We will give directors rights and powers commensurate with their responsibilities. Negotiations on the appropriate pact with workers' representatives will be undertaken without delay. Together with changes in the methods of comanagement, we will watch over the retention of the legal rights of trade unions.

Another essential condition for improving the situation is to conclude work on the debt restructuring law, that will be linked to the banking reform.

May it please the house: Speaking of the harmonious development of Poland, we must concentrate on agriculture, that provides the livelihood of one-third of Polish society. Considering how great the farmers' input into the country's economic life really is, we will solicit their participation in changes. The state will support changes in the agrarian structure in the countryside by enlarging the holdings of individual farmers and by giving farmers access to state land through leasing. My government will reinforce the development of the agricultural and food

industry as the fundamental element in the successful development of agriculture. The Agricultural Restructuring and Debt Reconstruction Fund will serve to resolve the countryside's most important problems. It will assist farmers who fell into the so-called credit trap in 1990. The Fund will commit itself to modernizing farms. However, agricultural changes demand the farmers' active participation. We expect they will help create an authentic cooperative movement and that they will exert influence on the policy of their banks and the allocationn of credits. The system of state intervention on the prices of agricultural products will be maintained.

May it please the house: The principles of a social-market economy accepted by the government include the need to address the state's assistance to those people and their families who have found themselves in difficulties through no fault of their own. There is a minimum standard of living that the citizen may expect from the state. Welfare assistance granted by the state will depend upon family income. The new social and economic reality cannot cause the creation of an entire group of people for whom the social assistance of the state will become the pretext for ending their own efforts to maintain themselves and their families. Here lie the limits of the welfare nature of the state. The government will introduce a system of public works to counteract unemployment actively, particularly in regions where unemployment is greatest. The struggle against unemployment at every level requires good organization and the cooperation of central, regional, and local authorities.

All measures to facilitate the unemployed's change of profession should be more efficient. I also see a vital need to create new and solid foundations for the social insurance system, and to work out new principles on which to base pension funds.

The government will consider implementing a bold housing policy as one of its most urgent objectives. The needs are immense. Meanwhile, the majority of citizens have no assets to buy their own homes. The interest rate on housing loans can be lowered considerably. Those loans should also be available to medium-income families. This will require a noncommercial savings system without profit and taxation. This system should avail itself of foreign aid. Regardless of this, it is vital to tidy up the property system, particularly with regard to factory housing. The responsible ministries, cooperating with the trade unions, will start work on amending the Labor Code. Executive regulations will be issued as quickly as possible—in the form of decrees—ensuring implementation of the Rehabilitation and Employment of the Disabled Act.

We want to develop contracts with trade unions, stressing bilateral adherence to concluded agreements. In introducing the state's social policy, we consider it exceptionally important to link the assets provided by the state with real social activity. We wish to achieve this aim by increasing the participation of nonstate institutions in this process. Parishes [gminy] ought to attain greater prerogatives in implementing the general guidelines of the state's social policy, that will result in better social control over its implementation.

It is necessary to guarantee the education system's legal and institutional stabilization. We will break with the process of pauperizing teachers. We will do everything to reconstruct the prestige of teachers and faith in their calling. The grant system in higher education will show preference to particularly talented young people. We will carry out all changes in consultation with the teachers' forum and the academic forum.

It is time to end the work that is dragging out over reforming the health care system. It is time to move to its implementation. A significant element of this must be the introduction of a health insurance system. Until the new system is introduced, a program will be prepared without delay for the functioning of public health care over the transition period. Public health care must assure every one of the minimum of health care, and guarantee the receipt of assistance in sudden need.

May it please the house: The Polish state's foreign policy must be stable and open to the transformations taking place in our vicinity. Its success is impossible without attaining agreement around the foundations of the Polish raison d'etat. Its importance remains, as does its European orientation. This is required by the fundamental interests of our state, nation, and society. There is significant potential for developing mutual partnership with mutual benefit in relation to Germany, France, Great Britain, Italy, and many other European countries. The key task, however, is Poland's integration into the EC.

The house agreed to ratifying the European treaty a few days ago. This was an historic decision. A matter of fundamental importance is the systematic, sound, and comprehensive implementation of this treaty. To begin with, it gives Poland a chance for her exports. Therefore, an important task for the government will be to prepare our exporters for this new situation, so that they will be capable of taking advantage of the markets that are opening up, and to develop their production. However, we should prepare our producers for the expanding, unavoidable competition from abroad at the appropriate time. The government will decisively protect Polish agriculture against dishonest foreign competition during the period of adapting to the European economy.

My government will strive to make Poland's security on par with the security of other European countries, linking this to the approaching prospect of Poland's membership in the North Atlantic alliance. Poland will continue to play an active part in the CSCE, and show initiative in strengthening and developing the Helsinki process. Pan-European stability is also guaranteed through the U.S. political and military presence in Europe, that the government I will lead will decisively

support. We must remember, however, that there is no simple formula for our country's security that would also guarantee us a place in the international community. The answer to the current challenges and chances should be an intense policy of development for the country, and the building of a multilateral system of international ties.

The reply to the current challenges and opportunities ought to be a dynamic policy of developing the country and constructing a multifaceted system of international ties. The canon of Polish foreign policy remains close relations with all our neighbors.

A particular opportunity for active policy is outlining itself on Eastern policy. On relations with Russia, Ukraine, Byelarus, and Lithuania, we are particularly interested in issues of security and balance, economic exchange, and the situation of Poles living beyond our eastern border. Among the challenges borne by European integration, still germane despite the many difficulties, is cooperation within the Visegrad triangle. The cooperative ability of the states of the triangle will be the test of the stability of our part of Europe, and will strengthen the position of our countries as partners of the EC and its member countries. I wish to manifest a personal commitment to support the Holy See's efforts concerning justice, democracy, solidarity, and indivisibly treated peace. My government sees the UN's role as primary. The Polish Government, establishing permanent ties with Poles worldwide and consistently securing its interests, will remain a fundamental matter. My government's entire foreign policy will be deeply set in the norms of morality and international law.

May it please the house: To implement these aims, I move to appoint the Council of Ministers as follows: Deputy Chairman of the Council of Ministers Henryk Goryszewski Deputy Chairman of the Council of Ministers Pawel Laczkowski Minister, Head of the Office of the Council of Ministers Jan Maria Rokita Minister of National Education Zdobyslaw Flisowski Minister of Finance Jerzy Osiatynski Minister of Town and Country Planning Andrzej Bratkowski Minister of Culture and Art vacant Minister of Communications Krzysztof Kilian Minister of National Defense Janusz Onyszkiewicz Minister of Environmental Protection, National Resources and Forestry Zygmunt Hortmanowicz Minister of Labor and Social Policy Jacek Kuron Minister for Ownership Transformations Janusz Lewandowski Minister of Industry and Trade Waclaw Niewiarowski Minister of Agriculture and Food Economy Gabriel Janowski Minister of Justice Zbigniew Dyka Minister of Internal Affairs Andrzej Milczanowski Minister of Foreign Affairs Krzysztof Skubiszewski Minister of Transport and Maritime Economy Zbigniew Jaworski Minister for International Economic Cooperation Andrzej Arendarski Minister of Health and Social Welfare Andrzej Wojtyla Minister, Head of the Central Planning Office Jerzy Kropiwnicki Minister, Member of the Council of Ministers Jan Krzysztof Bielecki Minister, Member of the Council of Ministers Jerzy Kaminski Minister, Member of the Council of Ministers Zygmunt Eysmont

I propose Witold Karczewski be appointed director of the Scientific Research Committee. I intend to entrust Deputy Prime Minister Goryszewski with directing the work of the Socioeconomic Committee of the Council of Ministers, Deputy Prime Minister Laczkowski with coordinating political affairs, Minister Bielecki with EC integration issues, Minister Kaminski with parliamentary affairs and contacts with political groupings, and Minister Eysmont with promoting enterprise.

I want to assure deputies that the Sejm speaker has received a written statement from me on the resolution on Deputy Barczyk.

Mr. Speaker, Deputies: It is a just thing to demand from the government that it make it possible for people to work, that it protect the fruits of their labor.

The political authorities can promote common well-being. That is what they are appointed for, and they derive their plenipotentiary powers from this. It cannot, however, replace people's work or bring about prosperity on its own. Attempts to meet these demands are hopelessly ineffective; at the same time, they hamper and even make it impossible to achieve lasting economic and social advancement. I do not think we have given clear enough indications that the time for demands is over, that it is time to start asking what we can give Poland. Poland has rid herself of foreign domination, and a bad system of government without bloodshed and with peace maintained. We have the opportunity and the duty to build state independence, prosperity for families, and freedom for the individual. I believe that we, all Polish citizens, have enough strength, intelligence, and will to carry it out. Providence has faced us with the tasks: I believe that it will also give us the strength to fulfill them worthily.

Thank you, Ladies and Gentlemen.

Walesa: Suchocka 'Good Choice'

LD1007174392 Warsaw Radio Warszawa Network in Polish 1700 GMT 10 Jul 92

[Text] I have received a last-minute report: In a break in the Sejm proceedings, there was a news conference by President Lech Walesa. Asked how he assessed the choice of Hanna Suchocka as prime minister, he said it was a good choice and that he hoped it would not be necessary to look for a new government quickly. The president added that it was the best of the past four governments because it combined innovation with experience. President Walesa stressed, however, that he still thought the solution with Waldemar Pawlak would have been better.

Parties Express Positions

LD1107225892 Warsaw PAP in English 2024 GMT 11 Jul 92

[Text] Warsaw, July 11—After nearly six hours of debate marked by considerable differences of opinion, the Sejm Saturday [11 July] approved the composition of the government as proposed yesterday by Prime Minister Hanna Suchocka.

There were 226 votes for, 124 against and 28 abstentions.

Speaking on behalf of the Democratic Union caucus, Bronislaw Geremek said it would vote for the proposed cabinet appointments, but asked the prime minister to take into consideration the stands of Sejm committees which negatively assessed some of the candidates.

Aleksander Kwasniewski, who spoke for the Democratic Left alliance caucus, announced the members would vote against the proposed cabinet. The reasons he cited were the absence of an economic programme and participation in the government coalition of a party "propagating intolerance."

The party he most likely had in mind, the Christian National Union, fully supported the proposed cabinet composition in a caucus statement read by Stefan Niesiolowski. He said there was no realistic alternative to Suchocka's cabinet, and early elections were the aim of those who gave higher priority to party interests than national weal.

There are no premises which would warrant the Polish Peasant Party's (PSL) support for the programme and composition of the Suchocka government, according to Zbigniew Mierzwa of PSL's Sejm caucus. However, he admitted that "this government must come into being".

The leader of the Confederation for Independent Poland (KPN) Leszek Moczulski did not say clearly whether his caucus was going to abstain or vote against the government. He did say his party "is in opposition, but in a proper democratic manner" and was committed to its programme and promises given to the electorate last October.

Andrzej Zarebski of the Liberal Democratic Congress voiced support for Suchocka's government and added his party wanted her to make an opening towards non-coalition parties, first of all the PSL and the Centre Alliance.

"We will not stand in the way, but we cannot give our support," said Jaroslaw Kaczynski of the Centre Alliance. He claimed Suchocka's was a government dominated by the parties of the small coalition and was called into being in order to "protect members of the elites now facing the threat" of being exposed as former communist police collaborators or communist activists. Kaczynski voiced support for many of the social reforms proposed in the Suchocka's address on Friday but pointed out that they called for adequate finance which put into doubt the realism of the budget.

Chairman of the Solidarity caucus Bogdan Borusewicz announced support, although not without reservations, for the cabinet composition as proposed by Suchocka. He reminded the deputies that Solidarity caucus members would not enter the government and the parties making it were acting on their own account. Their social and economic programme differred from what Solidarity wanted. Therefore it was "an overstatement that this is a Solidarity government. However, we will not switch to opposition."

The caucus of the Movement for the Republic, whose central figure is former Prime Minister Jan Olszewski, announced it would vote against Suchocka's cabinet proposals. Przemyslaw Hniedziewicz told the chamber that the premier's speech contained nothing but declarations and good intentions. In addition, the parties making the coalition had widely divergent views on certain important issues, like for instance agricultural policy and relations with the EC.

Jozef Fraczek of the Peasant Alliance, Tomasz Bankowski of the Polish Economic Programme and Tadeusz Kowalczyk of the Peasant Christian Party, which all have seats in the proposed cabinet, came out with support for Suchocka. Bankowski said her government was perhaps the last chance for this parliament to elect a government, while Kowalczyk asserted that "this government will be able to meet our expectations."

The government, as proposed by Suchocka, also got the support of representatives of three small cacuses, the German minority, the Christian Democrats (PChD) and the Christian Democracy (ChD).

Ryszard Bugaj of the Solidarity of Labour (now Union of Labour) said the in some points. Moreover, it did not aim at a correction of the policies of previous cabinets which was necessary. That is why, Bugaj said, the caucus would vote against the programme and the cabinet, although it had voted for Suchocka as prime minister.

The caucus of the Union of Real Politics will remain in constructive opposition to the government, its member told the chamber during the debate preceding the vote. He voiced disapproval of giving the economic issues secondary importance in the expose end and of what he called a continuation of the policies of the Mazowiecki government.

Cabinet Members Profiled

LD1207081292 Warsaw PAP in English 2057 GMT 11 Jul 92

[Text] Warsaw, July 11—The Polish Sejm (lower house) on Saturday [11 July] approved the appointment of the following to the cabinet to be led by new Prime Minister Hanna Suchocka.

Hanna Suchocka (Democratic Union—UD): Age 46, prime minister. A lawyer from the western Polish city of Poznan. As a parliamentary deputy in the years 1980-1984, she opposed the outlawing of the "Solidarity" trade union after the imposition of martial law. Reelected to Parliament in 1989 as a member of the Pro-Solidarity Citizens Committees (OKP), and again in 1991 as a member of the Democratic Union (UD). Her strong religious convictions, and support for moves to ban abortion, have allowed her to put together a coalition covering a wide political spectrum, from free-market liberals to Catholic nationalists.

Henryk Goryszewski (Christian National Union—ZChN): Age 51, deputy prime minister for economic affairs. Lawyer and former university teacher. Most recently, director of the legal department at the Ministry of Transport. Deputy leader of ZChN.

Pawel Laczkowski (Christian Democratic Party—PChD): Age 50, deputy prime minister for political affairs. Law graduate, with a doctorate in sociology, PChD secretary general, first elected to the Sejm as deputy for Poznan in 1989 (an OKP candidate), and again in 1991.

Krzysztof Skubiszewski (no party affiliation): Age 66, foreign minister. Highly respected, both in Poland and internationally, has fulfilled the same role in Poland's three post-communist governments.

Jacek Kuron (UD): Age 58, minister for labour and social policy. Sejm deputy. Veteran dissident since the 1970s, and consistently the most popular political figure in Poland, according to public opinion polls. Was also labour minister in Poland's first post-communist government, led by Tadeusz Mazowiecki.

Janusz Onyszkiewicz (UD): Age 55, minister of national defence. Former university mathematics teacher. Solidarity press spokesman and member of the union's presidium 1980-81. Sejm deputy from Przemysl, south-eastern Poland, since 1989. Held the post of deputy defence minister in the governments of Tadeusz Mazowiecki and Jan Krzysztof Bielecki. Married to the granddaughter of Poland's inter-war leader Marshal Jozef Pilsudski.

Andrzej Milczanowski (no party affiliation): Age 53, minister for internal affairs. Lawyer, and veteran dissident from the 1970s. Head of the State Protection Office (UOP) in the Mazowiecki and Bielecki governments, and acting head of the Interior Ministry since the Olszewski government was voted out of office in June.

Jerzy Osiatynski (UD): Age 51, finance minister. Doctorate in economics, studied at Cambridge University 1970-72. Elected to Sejm in 1989 as OKP candidate. Minister head of the Central Planning Office (CUP) in the Mazowiecki government. Member of the Supervisory Council of the National Bank of Poland.

Jerzy Kropiwnicki (ZChN): Age 47, minister-head of the Central Planning Office (CUP). Doctorate in economics, and university lecturer. Member of the Solidarity National Commission in 1981. Labour minister in the Olszewski government.

Andrzej Bratkowski (no party affiliation): Age 56, minister of regional planning and construction. Construction engineer, Sejm deputy 1989-91.

Andrzej Arendarski (KLD): Age 43, minister of foreign economic relations. Sejm deputy, and member of the Sejm's trade, and foreign economic relations committees. Former university teacher, since February 1990 president of the National Economic Chamber.

Gabriel Janowski (Peasant Agreement—PL): Age 45, minister of agriculture. Private farmer, co-founder and later chairman of the Private Farmers Solidarity Trade Union. Sejm deputy, and agriculture minister in the Olszewski government.

Zbigniew Eysmont (Polish Economic Programme—PPG): Age 42, minister without portfolio for enterprise. Graduate in fine arts, since 1974 a private business owner, currently employing 50 workers. Sejm deputy from Wroclaw.

Zbigniew Jaworski (ZChN): Age 52, minister of transport. Graduate of Warsaw Polytechnic, has spent career working in road planning and construction.

Jan Krzysztof Bielecki (Liberal Democratic Congress—KLD): Age 41, minister without portfolio for European Community affairs. Poland's second post-communist prime minister, in 1991. Sejm deputy since 1989, and chairman of the Political Council of the KLD.

Krzysztof Kilian (KLD): Age 34, minister of communication. In 1991, adviser and then head of the Minister's Office at the Ministry of Privatisation. Later, director general of the Cabinet Office, and head of the Prime Minister's Office (October 1991 to February 1992).

Waclaw Niewiarowski (SLCh): Age 50, minister of industry and trade. Former Solidarity activist, in 1989 became deputy governor and later governor of Gorzow Province, western Poland. Elected to Parliament as PL deputy in 1991.

Zbigniew Dyka (ZChN): Age 63, minister of justice. Held the same post in the Olszewski government. Lawyer, since 1989 deputy president of the Supreme Bar Council. Sejm deputy.

Zygmunt Hortmanowicz (no party affiliation): Age 53, minister of environmental protection. Qualified doctor specialising in physiotherapy and balneotherapy.

Jerzy Kaminski (no party affiliation): Age 66, minister without portfolio for political matters. Private farmer since 1969, rural Solidarity activist in 1980.

Witold Karczewski (no party affiliation): Age 62, head of the Committee for Scientific Research. Neurophysician, and professor at Warsaw's Medical Academy.

Janusz Lewandowski (KLD): Age 41, minister for privatisation. Held the same post in the Bielecki government. Sejm deputy.

Jan Maria Rokita (UD): Age 33, minister-head of the Cabinet Office. Sejm deputy from Krakow since 1989, and member of the Sejm Committee for Administration and Internal Affairs, and of the Extraordinary Commission on the Constitution.

Andrzej Wojtyla (Peasant Christian Party—SLCh): Age 37, minister of health and social security. Member of the Sejm and deputy chairman of the Sejm Health Committee.

Zdobyslaw Flisowski (no party affiliation): Age 60, minister of education. Qualified electrical engineer, professor, and pro-rector for student affairs at Warsaw Polytechnic.

The post of the minister of culture and art is vacant.

Culture Minister-Designate in Doubt

LD1107035992 Warsaw Third Program Radio Network in Polish 1900 GMT 10 Jul 92

[Text] Presenting the composition of the government in the Sejm, Prime Minister Hanna Suchocka did not mention the name of the new head of the Ministry of Culture. As our reporter Jolanta Kucharska found out, Jan Bleszynski, the candidate for the post, was in Munich when the government was being formed. He had a stroke on his way back to Poland and is now in the government clinic. A decision will be made within the next week whether he will be able to take up his post or whether a new candidate from the Christian National Union will be appointed.

Suchocka Stresses 'Open' Coalition

LD1107224792 Warsaw PAP in English 2038 GMT 11 Jul 92

[Text] Warsaw, July 11—"I have already said it several times, the coalition is open," Poland's new Prime Minister Hanna Suchocka said on Saturday [11 July]. Speaking to journalists immediately following the vote by the Sejm (lower house) to approve her cabinet, Suchocka said that she would have resigned at once, if the Sejm had voted against the line up of the government. She added that she stood by her promise in Friday's expose of the new government's programme to present the plans for economic and social policy within three months. She also called on the Sejm to reject a resolution put forward by the Confederation for Independent Poland (KPN), which wants the new prime minister to defer appointment of a new privatisation minister until such time as the Sejm completes its examination of a report by the Supreme Chamber of Control (NIK) into the Ministry's activities. "To accept the resolution would be in contradiction of the Polish Constitution," Suchocka said. The NIK report was completed at the end of June, but has yet to be presented before the Sejm.

Sejm Closes Current Session

LD1107230192 Warsaw PAP in English 2104 GMT 11 Jul 92

[Text] Warsaw, July 11—Deputy Sejm Speaker Jozef Zych formally closed the current session of the Polish Sejm (lower house) on Saturday evening. He also announced that the next session, planned for July 16-18, had been deferred to July 23-25.

Suchocka on Tasks, Prospects

LD1007203192 Warsaw TVP Television First Program Network in Polish 1737 GMT 10 Jul 92

[Interview with Prime Minister Hanna Suchocka by Marek Kassa; place and date not given—recorded]

[Text] [Kassa] You have presented the composition of the government. What guarantee do you have that this program will be implemented, since previous governments also promised much?

[Suchocka] It is better not to promise too much. My program, proposed today, was exceptionally precise, and we sought to indicate, to specify, the tasks that we will indeed, over three months, be able in some way, to do these first, present to society. [sentence as heard]

[Kassa] Does the government coalition not remind you of the union of fire with water? The Christian-National Union [ZChN], the Democratic Union [UD]—everything is in this coalition.

[Suchocka] I know. Everyone wonders about this, everyone asks about this, but it is necessary to remember the fact that this nation is also a union of fire with water, for all of these groups are in this state. So, perhaps, it is a good thing that these representatives of the nation will, in this government, somehow come to an understanding.

[Kassa] You said in your report that one of the most important points of our foreign policy will be a coming closer to Europe. Meanwhile, Henryk Goryszewski, deputy prime minister for economic affairs, clearly says that he is against the treaty on the association of Poland with the EC. How will you resolve this contradiction?

[Suchocka] But he agreed, deciding to accept the post of deputy prime minister for economic affairs, and his party agreed to the creation of an office for integration with the EC. That means that, nonetheless, we are going in a good direction.

[Kassa] How do you imagine relations with the Belweder Palace, with the president? Jarosaw Kaczynski said that by giving the president the influence on filling the posts of minister of national defense and minister of internal

affairs, parliament is already forsaking a part of the prerogatives that belong to it.

[Suchocka] It is not so, because in our country the government, as you well know, is chosen by parliament, and candidates are presented by the chairman of the Council of Ministers in agreement with the president. And this is the way it is. All insinuations of this kind do not, do not correspond, if I can put it thus, with reality. I am acting in accordance with the Constitution.

[Kassa] What will relations with the president be like?

[Suchocka] Just as I always stress, above all I assume that this government, in order to maintain itself, cannot be a government of confrontation. This must be a government that will be a government of cooperation with parliament and with the president.

[Kassa] How do you judge the permanence of this coalition? How long do you give your government?

[Suchocka] Since I have decided to undertake this task, so I am determined that this coalition will last as long as possible—and this government as well.

[Kassa] To the end of the parliamentary term?

[Suchocka] That would be the optimal solution.

[Kassa] Thank you very much. Half an hour ago, more or less, President Lech Walesa's news conference ended. The president said that he wishes you all the best: I will always seek the best solutions; I do not know which variant will be the most beneficial for Poland in a few months time, said the president, but he added that the government of Ms. Suchocka is the best of the four Solidarity governments. He also added that he will do everything for this government to be successful. The prime minister is a woman, that is why I will help her more than the others. I will invite the prime minister for breakfast, the president promised, but I do not know if the prime minister likes milk pudding.

[Suchocka] [laughs] I like it! I like everything, but especially green salad.

[Kassa] Thank you.

Walesa, Suchocka Meet

LD1007230392 Warsaw TVP Television Second Program Network in Polish 1900 GMT 10 Jul 92

[Text] Just before 1900 today President Lech Walesa arrived at the Sejm building straight from the airport. He received Prime Minister Hanna Suchocka in his office.

[Begin recording] [Walesa] Greetings, Madam.

[Suchocka] I present my heartfelt compliments to the president.

[Walesa] I congratulate you most sincerely, but at the same time I have to say it is going to be a hard nut to crack, but we shall manage it together.

[Suchocka] I do hope so, Mr. President. You are always an optimist, Sir, so some of that optimism should spill over on to me. Thank you very much.

[Walesa] I came back like a shot from Helsinki, with all lights flashing! [Suchocka and others laugh] We listened, it was a very nice speech; I liked it; let us hope that at least half of it may be implemented..

[Suchocka] We tried to write something very restrained, in order not to promise too much, just what can be achieved, for we are aware of how difficult things are now.

[Walesa] So now you must do this work, but perhaps you have to go back and sit down [at the Sejm session]?

[Suchocka] There is a break at the moment. [words indistinct due to Walesa and Suchocka both speaking at the same time] We have a meeting planned with outgoing Prime Minister Pawlak, and somehow we shall try to deal with this.

[Walesa] Let this be an efficient handing-over of power because there are a number of somewhat controversial...

[Suchocka interrupts while she and Walesa answer a journalist] Not until the afternoon. The voting doesn't start until 1500 because the commissions are meeting before noon, so everything is...

[Walesa interrupts] [words indistinct]

[Suchocka] I hope so, I hope so.

[Walesa] All the best.

[Suchocka] Thank you very much.

[Walesa] I won't keep you because I know how much you have to do. [end recording]

Walesa Admires New Prime Minister

LD1207083592 Warsaw PAP in English 1617 GMT 11 Jul 92

[Text] Warsaw, July 11—Speaking on the Panorama TV news broadcast Saturday, President Lech Walesa expressed his admiration for the newly elected Prime Minister Hanna Suchocka.

"I admire her political abilities, her fast thinking," said the president. "She is very able and therefore we will be tuned to the same wavelength," Walesa explained when asked about cooperation between himself and Ms. Suchocka.

He also said he expected that in the coming months the Sejm would adopt constitutional amendments which

would vest the president with powers to appoint ministers upon motions submitted by the prime minister. Now it is the Sejm which elects ministers.

Walesa added that even if the amendments were not adopted soon enough, the next government would be appointed by him.

Sejm Caucus Defers Support

LD1107185792 Warsaw PAP in English 1505 GMT 11 Jul 92

[Text] Warsaw, July 11—The newly established Sejm caucus of the Union of Labour (UP) will not support the government led by Hanna Suchocka, a member of the group said Saturday. Zbigniew Bujak, one of the leading figures in the small caucus, explained that "the main reason (for lack of the Union's support) is the absence of any details on the economic programme, especially concerning fighting the recession" in the prime minister's Sejm address. The Sejm caucus of the Union of Labour was established today at a meeting of the provisional national council of the party. According to Bujak, so far some 2,000 people throughout Poland joined the ranks of the party. He expects 5,000 members by September. The core of the party leadership is made of politicians formerly belonging to the Solidarity of Labour Sejm caucus.

Suchocka Holds News Conference

LD1207170892 Warsaw TVP Television First Program Network in Polish 1500 GMT 12 Jul 92

[Text] Prime Minister Hanna Suchocka held her first news conference in Warsaw today.

It turns out that the prime minister has a very high opinion of women in politics; unfortunately, coalition parties did not propose women for ministerial posts. Women's rights will be guaranteed through practical activities and not through institutions and associations. The prime minister opened the meeting by saying that she was pleased to see so many people despite the fact that it is Sunday. It proves that correspondents treat their profession as a mission, a view of the profession that she shares. It is an important mission in democracy, the prime minister said. Correspondents will determine how Poles will be informed about the government's decisions and how they will participate in this government's work. Hanna Suchocka thinks that the prime minister should brief society directly on government's problems.

The new Council of Ministers met for the first time on 11 July.

SDRP Opposed to Suchocka Cabinet

LD1207191292 Warsaw PAP in English 1650 GMT 12 Jul 92

[Text] Warsaw, July 12—The main council of the Social Democracy of the Republic of Poland (SDRP) on Sunday [12 July] decided that "the Social Democracy would remain in opposition to the Hanna Suchocka government." The council, meeting on Sunday to discuss the political situation in Poland, stressed in its resolution that "this government, like the previous ones, does not guarantee the solving of dramatic social problems, but above all the overcoming of recession and the improvement of the material situation of the working people." The SDRP however did stress that it sees the possibility of constructive cooperation with the new government in the field of industrial, social and antirecession policies. The party declared its readiness to dialogue "with those forces in the country which approach state and social affairs with responsibility."

UD Hopeful for Suchocka Government

LD1307112492 Warsaw PAP in English 1857 GMT 12 Jul 92

[Text] Warsaw, July 12—The Democratic Union [UD], which Sunday's [12 July] meeting was attended by the newly elected Prime Minister Hanna Suchocka, issued a resolution in which it states that "the Hanna Suchocka government is a hope for Poland and gives opportunities for hard although effective work for improving the social confidence and Poland's credibility abroad".

In its resolution, the Democratic Union once again invited other Parliamentary Caucuses to cooperate. "It is our conviction that our cooperation with the Polish Peasant Party (PSL) is of utmost importance and indispensable", reads the resolution.

Democratic Union Leader Tadeusz Mazowiecki explained that the Union's stress put on cooperation with the PSL should not be perceived as an intention to remodel the newly formed government but as an expression of the Union's esteem for Premier Pawlak's dignified stand, as a desire to heal certain wounds and preserve all that was good in the previous coalition talks.

Suchocka Attends UD Meeting

LD1307131792 Warsaw TVP Television First Program Network in Polish 1500 GMT 12 Jul 92

[Text] The Board of the Democratic Union [UD] has met in Warsaw. Prime Minister Hanna Suchocka attended the meeting. The political situation after the appointment of the new government was discussed. The creation of Suchocka's Cabinet, despite the divided Parliament, was regarded as a success by the majority of those present.

[Begin Suchocka recording] It is the coalition that has to make compromises, but I am determined that where compromises are possible they must be made, and where they are not possible, I will not allow them. [end recording]

[Correspondent] There were opinions that the UD should follow its own program; however, the prime

minister will have to make decisions with which her party will not be able to identify.

[Begin unidentified voice recording] It is understandable that the UD, from which the prime minister comes, supported her and declared support in her very difficult job. [end recording]

[Correspondent] The participation of the UD in the coalition with other parties was compared to the long-term contract for the implementation of part of the work.

[Begin unidentified voice recording] The UD has the feeling that it is a coauthor of this government, and it is not its own government, but was created by it. We will gain responsibility as much as influence from this government's policy. [end recording]

Suchocka: 'Nothing Happened Overnight'

LD1307111492 Warsaw PAP in English 1759 GMT 12 Jul 92

[Text] Warsaw, July 12—Prime Minister Hanna Suchocka warned against too great optimism during her press conference Sunday. She said that events accompanying the formation of her government made it possible to look into the future with hope but that "one should be aware that nothing happened overnight."

Suchocka said that in this connection the government's new information policy would serve not only to create its image in society but primarily to "receive signals from society." Thus, this must be, according to the prime minister, the policy of genuine information and the flow of information in two directions. It will be the duty of both ministers and the prime minister to take care of pursuing this policy in an undisturbed way.

The prime minister said that her government, called the "government of concord and openness," would accept all critical opinions. But she herself does not accept two kinds of criticism: based on the "philosophy of past resentment" and the "philosophy of suspicions" of dishonest intentions or the inability to fulfil them.

Suchocka added that her government would have grounds for optimism when "Poles started believing that it would be able to act effectively" and she hoped that by taking proper steps and pursuing honest information policy, devised jointly by journalists, "her government would be able to arouse this belief."

Answering a question about her stand on objections raised towards Ministers Jerzy Kropiwnicki and Janusz Lewandowski now in her cabinet, Suchocka replied that "they knew the objections raised to their hitherto work and would have to draw conclusions from this."

Asked about her first economic decisions, especially the repaying of debts of enterprises, Suchocka said that she had outlined forthcoming economic policy goals in her Sejm address Saturday and that "the government would meet Tuesday to decide what to do in the coming period."

Ministers Taking Over Posts

LD1307125292 Warsaw Radio Warszawa Network in Polish 1005 GMT 13 Jul 92

[Excerpt] The Government's Press Office informed us that ministers who are members of Prime Minister Hanna Suchocka's new cabinet will take over their posts. The prime minister personally brings four ministers into their offices: Janusz Onyszkiewicz into the Ministry of National Defense; Andrzej Milczanowski into the Ministry of Internal Affairs; Krzysztof Skubiszewski into the Ministry of Foreign Affairs; and Zbigniew Dyka into the Ministry of Justice.

According to the information from the Government's Press Office, the ministers are being brought into other ministries by two deputy prime ministers. [passage omitted]

Information Policy Implementation

LD1307134792 Warsaw Third Program Radio Network in Polish 1300 GMT 13 Jul 92

[Text] Prime Minister Hanna Suchocka's press assistant Zdobyslaw Milewski has announced that an information policy will be implemented by the government. He denied the belief that the lack of a government spokesman in the first days was proof of a lack of concern for information on the part of the prime minister and members of her Cabinet.

On the contrary, we are preparing the principles of an information policy, and the people will be chosen afterward, Milewski told journalists. He added that the staff of the information unit was being considered carefully.

However, he did not say if a prime minister's spokesman would be appointed, instead of a government spokesman.

Government To Monitor Embargo Against FRY

AU1007190392 Bucharest ROMPRES in English 1808 GMT 10 Jul 92

[Text] Bucharest ROMPRES 10/7/1992—Upon Premier Theodor Stolojan's initiative, representatives of the National Defence, Transport, Interior, Trade and Tourism, and Foreign Affairs Ministries and of the Customs Duty General Department met at Victoria Palace Friday, July 10, to analyse and appraise the way in which the government's decisions are observed as regards the application of the embargo imposed in Yugoslavia.

The analysis showed once more that appropriate measures had been taken to observe the sanctions in force against Yugoslavia, and hence none of the recent notifications on alleged violation of the embargo by Romania could be averred.

The premier requested the ministries participant in applying the sanctions decided upon by the Security Council to strengthen control over activities so as to prevent possible attempts to break the embargo.

To eliminate any suspicion referring to the fulfillment of the obligations assumed, the Ministry of Transport will periodically publish a bulletin on the situation of Romanian and foreign ships lying or sailing on the Danube, also specifying each one's load and port of destination. The prime minister's proposal was reiterated that any country which doubts Romania's observing the embargo should send its observers to control sea-going transport or any means susceptible to be used for the shipment of raw materials to Yugoslavia, a communique released by Romania's Government shows.

Transport Ministry Issues Communique

AU1107163092 Bucharest ROMPRES in English 1503 GMT 11 Jul 92

[Text] Bucharest, ROMPRES, 11/7/1992—An order of the Minister of Transport places Romania's sea and river ports and the Danube traffic under the direct control of the Ministry of Transport, charged to survey the application of the UN embargo on Yugoslavia, reads a communique sent to "ROMPRES" by the Romanian Ministry of Transport.

Thirteen checkpoints of sea and river transport have been established, to ensure the complete surveillance of the operation and traffic on the Danube of all ships, irrespective of the colors under which they sail.

The communique warns Romanian and foreign commanders of state and private ships that, in case they do not accept to be checked up by the commissioners of the Ministry of Transport, the ship they are sailing is immediately held in conformity with the provisions of a decree on civil navigation.

The Ministry of Transport will issue daily a bulletin on navigation in sea and river ports and Danube traffic, to be published in a widely circulated daily.

The Ministry of Transport publicly invites the Embassies of the United States, Great Britain, and of all other states interested to take part in the surveillance of the observance of the embargo by Romania to the said checkpoints or wherever else they want.

Traffic Control Instituted

AU1207174592 Bucharest ROMPRES in English 1505 GMT 12 Jul 92

[Text] Bucharest, ROMPRES 12/7/1992—Under an ordinance of the Ministry of Transport direct surveillance of the road, rail and naval traffic was instituted as of July 11, 1992 at the frontier points of Bors, Nadlac, Varsand, Curtici, Halmeu, Stamora-Moravita, Constanta, Cernavoda, Giurgiu, Jimbolia, Episcopia Bihor, Valea lui Mihai, Dornesti-Vicsani, Socola-Ungheni and Galati, in order to ease the frontier traffic.

The representatives of the Ministry of Transport have the task to cooperate with the customs officials and equally to caution the economic agents end-user of transport about their responsibility for the stationing of transport means as a result of failure to observe the government decisions, the release of the Ministry of Transport shows.

FSN Rejects Accusations of Influencing Elections

AU1007174192 Bucharest ROMPRES in English 1508 GMT 10 Jul 92

[Text] Bucharest ROMPRES 10/7/1992—In a Thursday, July 9, press conference high executives of the National Salvation Front, FSN, tried to reply to recent attacks on members of the government who make part of the National Salvation Front, made by a number of political parties, the Democratic National Salvation Front, FDSN, in particular. FDSN has recently asked that the minister of the interior, Victor Babiuc; the chairman of the Romanian Privatisation Agency, Adrian Severin; and Viorel Doru Ursu, secretary of state at the Department for Local Administration be discharged, as they would influence the elections to be held in autumn.

FSN representatives rejected the accusations brought to their party and showed that "the (present) government formula has resulted from political negotiations and the FDSN demands make no sense."

As for the National Privatisation Agency being accused that it "would infringe upon the law by the way vouchers (e.n. through which 30 percent of the state property is planned to pass into the hands of Romania's population) have been distributed," the news conference was told that "everything is false in this respect, no law has been violated, the privatisation proposed by FSN is the best, and it has enjoyed the appreciation of neighbouring countries".

Reports on Criticism Received at Budapest Meeting

AU0907130392 Bucharest ROMPRES in English 1006 GMT 9 Jul 92

[Text] Bucharest, ROMPRES, 9/7/1992—Back from the summer session of the Council of Europe, Senator Aurica Popescu, secretary of the Romanian Parliament's Foreign Policy Commission, granted an interview to daily CURIERUL NATIONAL giving a few of his impressions:

"I am sorry to say that we were delivered an unpleasant surprise from the very first day of the session. Of the opening of the Politics Commission's sitting the Hungarian Foreign Ministry released a document on the situation of the Hungarian minorities in its neighboring countries, touching inter alia upon the 'problem' of the Hungarian minority in Romania. The document characterized our country's policy with respect to that minority as 'nationalistic policy on a state level', allegedly continuing the nationalistic policy of the deposed Ceausescu regime. I considered then, and still do now, that such a gesture made under the auspices of the Council of Europe lacks fair play towards the Romanian delegation. The Hungarian Foreign Ministry, and therefore the session's organizers, is unfair because it took unfair and inadmissible advantage of its host status. It was very clear to us that the conclusions reached by our hosts were actually those of the Democratic Union of Hungarians in Romania (UDMR). Certain persons from the leadership of the UDMR repeatedly made statements to more or less the same effect. In fact Geza Szocs, our colleague, took the very same stand in a press conference."

Daily CURIERUL NATIONAL asked then Vasile Mois, vice president of the Romanian Senate, member of the same delegation, if Geza Szocs had been a member of the Romanian delegation or of another country's. Vasile Mois replied: "Yes, Mr. Szocs is a member of the Romanian Parliament's permanent delegation at the Council of Europe, on behalf of the UDMR. But the facts have strengthened my conviction that there is a cooperation between certain people from the UDMR leadership and the Hungarian Government.

"I'd like to give another example. In spring the Hungarian foreign minister granted an interview to a Finnish newspaper, where he voiced his opinion that a UDMR delegation should be a party to the negotiations on the treaty of friendship and good neighborhood between Romania and Hungary. I must point out that our Hungarian neighbors have fundamental objections to article four, which stipulates the recognition of the present frontiers of our two states. They do not wish to sign such a commitment. Maybe that is why the draft treaty has been blocked for several months. Not long after the newspaper published the interview the UDMR leadership, through the agency of Geza Szocs, sent a letter to the Romanian Foreign Ministry asking for the same thing as the Hungarian Foreign Ministry. So what we have here is a correlation of the UDMR and the Budapest Government's policies."

Civic Alliance Holds Rally in Revolution Square

AU1107132992 Bucharest ROMPRES in English 0909 GMT 11 Jul 92

[Text] Bucharest, ROMPRES, 11/7/1992—A rally and show organized by the Civic Alliance took place in the Revolution Square, in Bucharest on the evening of July 10. The purpose of the rally, attended by several thousand Bucharesters, was to present the "Appeal to the Country, Launched on July 7 by the Timisoara Society." The attendance included leaders of the Democratic Convention parties and of other political formations, delegates of the "Timisoara" Society. The appeal was read out, then numerous participants made addresses, stating their view on the country's economic and political situation. Reputed actors and singers performed songs to the revolution. Slogans were shouted against neocommunism and the presidency and for monarchy.

Izetbegovic Discusses Meeting With Bush

LD0907121792 Belgrade TANJUG Domestic Service in Serbo-Croatian 1118 GMT 9 Jul 92

[Text] Helsinki, 9 Jul (TANJUG)—After his meeting with U.S. President George Bush on the first day of the third CSCE summit, Alija Izetbegovic, president of Bosnia-Hercegovina, told journalists that he had asked the United States for "help to defend Sarajevo from Serb attackers." He said this at a news conference where he also stated that Bush had told him that the war in Bosnia-Hercegovina would have to be stopped.

After the Bush-Izetbegovic meeting, a U.S. official said that Izetbegovic "requested from the United States the same kind of protection as Kuwait received." He rejected such a possibility since "from the point of view of U.S. national security, the situation in Bosnia is quite different from the situation in the Gulf".

Earlier, the U.S. President had confirmed that "no military intervention is being considered for the time being."

At the same news conference, Izetbegovic's minister of foreign affairs, Haris Silajdzic, said that he would not allow either the division of Bosnia or any other solutions achieved by force.

It has been learned that Croatian President Franjo Tudjman has asked to be granted a meeting with George Bush but that the American side has not yet responded.

President, Turkey's Cetin Tour Sarajevo

TA1107170092 Ankara ANATOLIA in Turkish 1547 GMT 11 Jul 92

[By Caner Goren]

[Text] Sarajevo (AA)— Pointing out that an inhuman tragedy is being enacted in Bosnia-Hercegovina, Foreign Minister Hikmet Cetin said that it is genocide. Urgent measures must be taken to stop the bloodshed, he added.

Cetin, who participated in the CSCE Summit in Helsinki, arrived in Sarajevo today accompanied by Bosnia-Hercegovina President Alija Izetbegovic. Hikmet and Izetbegovic left Helsinki for Zagreb aboard the special Ata airplane and proceeded from there to Sarajevo aboard a Canadian military transport plane, which landed at Sarajevo Airport at 1430. Cetin and Izetbegovic left the airport for Sarajevo under extensive security aboard an armored UN vehicle and held talks at the presidential palace for some time.

Cetin and Izetbegovic later toured the parliament building, hospitals, and other buildings that had suffered damage. The two chatted with the people during a visit to the Gazi Husrev Bey Mosque and Bascarsi. Cetin talked with children looking out of the windows of bombed-out houses and gave them chocolate bars. Later, they visited the martyrs' cemetery and prayed at the tombs of those killed recently.

Cetin was then interviewed by the Bosnia-Hercegovina TV station. I am very happy to be in Sarajevo and at the same time I am very sad, he said. Pointing out that 52 countries discussed peace and hope in Helsinki yesterday Cetin said: Currently an inhuman tragedy is happening here. The world must stop being an observer to the tragedy happening in the center of Europe. It is a genocide. I am calling on all civilized countries from here. Statements and nice words are not enough. Urgent measures that will put an end to bloodshed must be taken. Turkey is ready to do its best to that end.

In response to a question, Cetin said: People who do not care for either peace or warnings are committing inhuman acts in Gorazde before the eyes of the whole world. It is urgent that this massacre be stopped by the world.

In response to a question on the results of the Helsinki summit, Cetin said: I believe that the world will have to use force. Turkey is ready to do its best together with the world.

Cetin went to the Sarajevo Airport again under heavy protection to return to Zagreb in the Canadian plane. Cetin will return home from there aboard the Ata plane.

Izetbegovic Forecasts Intervention

LD1107215892 Belgrade TANJUG in English 1954 GMT 11 Jul 92

[Text] Sarajevo, July 11 (TANJUG)—I believe there will be a foreign intervention in Bosnia-Hercegovina, but not so soon, stated Presidency president of Bosnia-Hercegovina on Saturday [11 July] following the visit of Turkish Foreign Minister Hikmet Cetin to Sarajevo.

The Presidency has no legally elected representatives of the Bosnia-Hercegovina Serbs.

In a press statement, Cetin underlined that Turkey was prepared to help so the situation in Bosnia-Hercegovina could change for the better, so that war could be stopped and life returned to normal.

Meanwhile, it was confirmed in Ankara that a Turkish destroyer and a commando unit were ready to join an international force imposing a blockade of the Federal Republic of Yugoslavia and a possible military intervention in Bosnia-Hercegovina.

A civil war has been raging for three months between the Moslem-Croat coalition on the one side and the Serbs on the other.

Cetin also conferred with Alija Izetbegovic and other Presidency members. After the talks, he toured the city, visited the city hospital and the cemetery, at which a large number of territorial defense members killed in the fighting were buried.

Possible Foreign Intervention Called 'Madness'

LD1107215192 Belgrade TANJUG in English 1947 GMT 11 Jul 92

[Text] Belgrade, July 11 (TANJUG)—The foreign minister of the Serb Republic of Bosnia-Hercegovina, Aleksa Buha, on Saturday [11 July] said that a foreign military intervention in the former Yugoslav Republic of Bosnia-Hercegovina would be a step of madness and an introduction to large-scale conflicts.

Thus, a foreign military intervention would represent a crime not only against the Serbian people, but against Croats and Moslems as well, Buha told a news conference in Pale, a municipality in the suburbs of Sarajevo controlled by Serbs in Bosnia-Hercegovina, as reported by the news agency of Serbs in Bosnia-Hercegovina SRNA.

A foreign military intervention in Bosnia-Hercegovina, where the Moslem-Croatian coalition together with army units of the former Yugoslav Republic of Croatia are fighting against the local Serbian population, is urged by Alija Izetbegovic, the president of the Presidency of Bosnia-Hercegovina in which there are no legally elected Serb representatives.

Buha said he hoped reason would prevail and a foreign military intervention would not take place.

"If the United States and the European Community were to deny support and help to Alija Izetbegovic, the bloodshed would end because Serbs in Bosnia-Hercegovina have been making initiatives for a ceasefire for a long time," Buha said.

"The international public is gradually becoming aware that the blame is not solely on the Serbian side" and "there is a possibility of the Serb Republic of Bosnia-Hercegovina being recognized by other countries," Buha said.

Serbs in Bosnia-Hercegovina proclaimed their own republic in territories where they are the majority population since they did not want to secede from Yugoslavia and be outvoted by Moslems and Croats.

Noting that Moslems, Serbs and Croats could no longer live together in a common state, Buha said it was necessary to divide those territories which have not yet been divided. The principle of majority population, not force, should be used to draw the borders, he added.

Croats in Bosnia-Hercegovina have also proclaimed their state community, Herceg-Bosna.

UN Commander Rejects New Peacekeeping Idea

LD1107171192 Belgrade TANJUG in English 1553 GMT 11 Jul 92

[Text] New Delhi, July 11 (TANJUG)—UNPROFOR [UN Protection Forces] Commander General Satish Nambiar sees no possibility of deploying United Nations peace-keepers across the ex-Yugoslav Republic of Bosnia-Hercegovina.

General Nambiar, in an interview to the Indian news agency UNI, said there was no ceasefire between the warring sides, nor an accord to allow a peace operation.

In Bosnia-Hercegovina, the Moslem-Croat coalition backed by units of the ex-Yugoslav Republic of Croatia are warring with local Serbs.

At this time, members of the UNPROFOR (U.N. protection force) are stationed at Sarajevo's airport alone, where they were handed over control by forces of Bosnia-Hercegovina's Serbs on June 29.

General Nambiar said French President Francois Mitterrand's recent surprise visit to Sarajevo, capital of Bosnia-Hercegovina, had been a very daring act aimed at finding a way out of the impasse.

He, however, said that forces of Bosnia-Hercegovina's Serbs, even before Mitterrand's arrival, had begun their retreat from the airport.

Relief shipments to Sarajeveans encounter difficulties in the absence of a ceasefire, while UNPROFOR cannot always ascertain who shoots first, said the general.

Government Forms 12-Member Military Council

LD0907202792 Belgrade TANJUG Domestic Service in Serbo-Croatian 1851 GMT 9 Jul 92

[Text] Sarajevo, 9 Jul (TANJUG)—A 12-member Military Council has been formed in Bosnia-Hercegovina to replace the Council of All-People's Defense of the Republic, the Bosnia-Hercegovina news agency reported today.

The agency lists the names of the members of the Military Council as Alija Izetbegovic, Mirko Pejanovic, Mariofil Ljubic, Jure Pelivan, Jerko Doko, Jusuf Pusina, Sefer Halilovic, Dzemil Sarac, Milan Acic, and Mirko Vranic, while two other members will be appointed by the chief of the General Staff of Bosnia-Hercegovina's armed forces.

Croatians Disband Jajce Municipality Leadership

LD1007224992 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 2000 GMT 10 Jul 92

[Report by Mehmed Muhic]

[Excerpts] In a saboteur action conducted by a special unit of Croatian Defense Council of Jajce in the region of Vukovici and Berici villages, the enemy forces suffered considerable human and material losses. [passage omitted]

However, a peaceful afternoon in the city on the Pliva and Vrbas rivers was disturbed by the act of the municipal Croatian Defense Council headquarters which

decided to ban the present war presidency of Jajce from heading the civilian authorities in the city. This was explained, according to the Croatian Defense Council statement, by the inactivity and disorganization which resulted in Jajce being cut off from Sarajevo, the defense lines not being organized on time so that the enemy occupied a number of factories and the Cusine television relay. This kind of attitude of the war presidency resulted in the vandalism and looting of state and private property. Nothing was done to direct the refugees which were arriving in Jajce to other areas. This caused an abnormal concentration of the civilian population, the Jajce Croatian Defense Council statement said.

These and other reasons were the motive for the local Defense Council, as they stated, to issue a command on disbanding the war presidency of Jajce and the formation of a temporary civilian war government headed by Nikola Cilic, vice president of the former war presidency, whose responsibility it will be to form the civilian war government. The Croatian Defense Council Command came to power even though the current war presidency did not form a standpoint on it nor were the territorial defense forces or the people of Jajce consulted.

'Wartime Presidency' Rejects Council Taking Power

LD1207160492 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1300 GMT 12 Jul 92

[Report by Mehmed Busic]

[Excerpt] [passage omitted] Jajce residents are concerned about frequent statements by the municipality's wartime Presidency, Croatian Defense Council headquarters, and the Croatian Party of Rights. (Midhat Karadzic), a member of the Jajce wartime staff, has just issued a statement in response to the Croatian Defense Council's unilateral decision to take power in Jajce. The statement says that the wartime Presidency is the only legal body elected by municipal assembly deputies and that the Presidency can be relieved of its duties only by those who elected it. This Croatian Defense Council act is considered an act used in military takeovers which are usually followed by clashes, which is not the wartime Presidency's goal.

The wartime Presidency feels that the Croatian Defense Council's attempt to take power is an act that destabilizes good relations among the citizens supporting Bosnia-Hercegovina. Conflicts continue while the people are hungry and forced to leave their homes, afraid of the aggressor and of disputes.

Bihac Shelled From Area Under UN Protection

LD1107135992 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 11 Jul 92

[Text] From positions on Pljesevica and Zeljezno Polje, the aggressor has fired over 350 destructive shells from heavy howitzers on Bihac in the past 48 hours. Five people were killed and 23 seriously or lightly wounded in the attacks. Several residential facilities have been destroyed.

Bihac Mayor Nenad Ibrahimpasic sent a protest note to UN Protection Force [UNPROFOR] Commander Satish Nambiar because Bihac is being fired upon from a zone under the responsibility of the UNPROFOR.

UN Officers Claim Croatians Shelling Sarajevo

LD1107114492 Stockholm Sveriges Radio Network in Swedish 1030 GMT 11 Jul 92

[Text] Two Nordic UN officers state in a Swedish document which the Ekot program has seen that Sarajevo is now exposed to shelling by a third party in the war. Croatian troops outside the Bosnian defense forces are shelling the city with heavy artillery. A shell from the Croatian side landed recently only 100 meters from the UN headquarters in Sarajevo. UN press officer Fred Eckhard declines to comment on the information.

'Stranded' Serbs Claim Genocide, Ask To Emigrate

LD1307104492 Belgrade TANJUG Domestic Service in Serbo-Croatian 0937 GMT 13 Jul 92

[Text] Belgrade, 13 Jul (TANJUG)—Inhabitants of the Serbian municipalities of Rajlovac, Vogosca, and Centar in Sarajevo, Novo Sarajevo, Ilidza, and Ilijas today sent an appeal to the peace-loving world public to save the Serbs stranded in Sarajevo.

The appeal, carried by the information service of the Sarajevo-Romanija Corps, says that "tens of thousands of Serbs in Sarajevo and other towns in the former Bosnia-Hercegovina under the control of the Muslim-Croatian coalition have been exposed to a genocide unprecedented in the modern history of mankind." (TANJUG punctuation throughout)

All peace movements, humanitarian organizations and associations, international institutions for the protection of human rights, and the world public are therefore asked to pressure "Alija Izetbegovic and representatives of the authorities of the former Bosnia-Hercegovina" to allow the stranded Serbs to leave Sarajevo without harassment.

The appeal notes that the Serbian side guarantees the departure of every Muslim, Croat, or other nationality from all Serbian municipalities in Bosnia-Hercegovina if they express the wish to do so. The signing of the petition appeal is under way.

Trebinje Red Cross Appeals for Immediate Food Aid

LD1207221492 Belgrade TANJUG in English 2001 GMT 12 Jul 92

[Text] Trebinje, July 12 (TANJUG)—The Red Cross of Trebinje has appealed for an immediate aid in food, saying that the reserves of food, especially for babies, have been exhausted.

Trebinje, a town in eastern Hercegovina and political center of the predominantly Serb-populated eastern Hercegovina, was the target of at least 300 heavy artillery shells in the past month.

Trebinje has over 5,000 refugees who have fled the right bank of the River Neretva before the penetrating units of Croatia's regular army and mercenaries.

The town has in the past 30 days sustained heavy damages in eight artillery attacks by the Croatian forces from the direction of Dubrovnik and two bombardments by Croatian planes.

The command of the Hercegovina corps of the army of the Serb Republic of Bosnia-Hercegovina sent a note to the E.C. mission and the U.N. protection force (UNPROFOR), protesting against the Croatian aggression on the territory of the Serb Republic of Bosnia-Hercegovina.

It said the Croatian Army had occupied one-fourth of the Trebinje municipality.

Serb Barrage Begins; Infantry To Attack Goradze

LD1107095892 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 0700 GMT 11 Jul 92

[Excerpt] An artillery attack on Gorazde began this morning at exactly 0500. As expected, the enemy [words indistinct] from the directions from which the enemy had been bringing in fresh forces all night [words indistinct] in a complete blockade, BH PRESS [Bosnia-Hercegovina news agency] has learned in the main headquarters of the Bosnia-Hercegovina armed forces.

The aggressor's forces—infantry, tanks, artillery, and other weaponry—have been brought to the outskirts of Gorazde from the directions of Praca, Foca, and Cajnice. It is believed that artillery fire will be followed by a large-scale infantry attack. Ham radio operators from this town on the banks of the Drina river have been sending out dramatic calls all night. Gorazde has been exposed to fire from all types of weapons since 20 April, and the air force has been involved as well.

The town shelters 30,000 refugees from surrounding villages in which the aggressor has carried out genocide. Without electricity and water, food or medicines, besieged Gorazde is sending an appeal to Bosnia-Hercegovina and to the world asking for immediate assistance, otherwise the town will witness a disaster.

The main headquarters of the Bosnia-Hercegovina armed forces has issued a command for defenders and inhabitants of Gorazde, signed by Sefer Halilovic, commander of the main headquarters of the Bosnia-Hercegovina armed forces. Chetniks are moving from the directions of Foca and Praca toward Gorazde. In the columns, infantry forces are being accompanied by 40 tanks and 40 20-and-40-mm caliber anti-aircraft guns. Artillery support from Oganj multiple rocket launchers with a range of 10-20 km has been provided. The inhabitants of Gorazde are to find the best shelter and defenders to meet the attack in full readiness.

In connection with the above, I order all units on the territory of eastern Bosnia to set off on forced march to help the defenders of Gorazde and to set ambushes on the paths of Chetnik movement and attack them. We are calling on the international community to prevent and stop the massacre of innocent civilians, (?because), in addition to the local population, in Gorazde there are than 30,000 refugees from the towns in eastern Bosnia, which totals more than 100,000 innocent civilians. [passage omitted]

'Hellish Clashes' With Serbs

LD1107105492 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1100 GMT 11 Jul 92

[Excerpt] Dear listeners, we have just received the latest report from ham radio operators from Gorazde. Let us hear it.

[Second announcer] [Words indistinct] Gorazde is still offering resistance against the aggressor's attacks, although the encirclement around it is closing in. In hellish clashes with Serbo-chetnik criminals, there is no one to help the seriously wounded soldiers because supplies of medicines and dressings ran out a long time ago, and the wounded cannot be evacuated. Therefore, the last battle of their lives is over. Lightly wounded defenders remain on the front line.

Because of the insane, large-scale use of tanks, artillery, and mortars by the aggressor, a large number of civilians are losing their limbs. Amputation is done in the open air without anesthesia. There is no water, not even for the wounded, because the water supply from (?Cajnice) was cut off a long time ago and all local springs are under permanent mortar and sniper fire. [passage omitted]

Appeal for Medical Aid

LD1207134392 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 12 Jul 92

[Text] The press center of the First Drina Brigade reports that about 20 Croatian families have been massacred in the Foca municipality. There were no survivors.

An appeal with a list of medicines necessary for defenders and inhabitants of the Gorazde area was sent from Gorazde this morning. The list includes medicines for children under three years old, bandages, disinfectants, infusion solutions, antibiotics, analgesics, tetanus injections, insulin, stitching material, and plasma. The appeal stresses that there is a great need for a mobile operation theater and surgeons.

Nitrogen Factory Ablaze; Gas Reportedly Used

LD1207212592 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 12 Jul 92

[Report by Sarajevo correspondent Slavko Rako]

[Text] Increasingly dramatic reports come from Gorazde every hour. The last report the Gorazde municipal assembly information service sent says: After enemy aircraft dropped cluster bombs around 1230, fresh artillery and infantry attacks on Gorazde started from many directions with the participation of new groups of chetniks from Serbia and Montenegro. The nitrogen factory in Vitkovici is burning. Poison gases have been thrown on defenders' positions. It is impossible to approach the wounded because of constant sniper fire. Bosnia-Hercegovina's Internal Affairs Ministry reports that Dusko Kornjaca, a minister in the government of the so-called Serbian Autonomous Region of Hercegovina, went to Belgrade to meet Mirko Jovic to get fresh chetnik units to fight at Bosnia-Hercegovina's fronts.

Serb Commander on Muslim Plans

LD1207214792 Belgrade TANJUG in English 2120 GMT 12 Jul 92

[Text] Sarajevo, July 12 (TANJUG)—The Serbian Republic of Bosnia-Hercegovina Army commander, Gen. Ratko Mladic, warned on Sunday [12 July] night the UNPROFOR chief of staff, Gen. Lewis MacKenzie, that Moslems were preparing to cause a large-scale ecological disaster in Gorazde.

Gen. Mladic said Bosnia-Hercegovina Presidency President Alija Izetbegovic ordered on Friday through Sarajevo radio the commanders of the units in Gorazde to blow up the nitrogen plant at Gorazde in case the Bosnia-Hercegovina Serb forces succeeded in a breakthrough, as this would cause poisoning in "Montenegro and half of Serbia".

There was heavy fighting over the past two days between the Moslem-Croatian forces loyal to Izetbegovic and the forces of the army of the Serbian Republic of Bosnia-Hercegovina.

The Bosnia-Hercegovina Presidency has no legallly elected Serb representatives.

By blowing up the nitrogen-producing plant, ammonia released in this way would spread to a large area and would pose great danger to the environment, warned Gen. Mladic. At the same time he asked Gen. MacKenzie to inform U.N. Secretary General Butrus Butrus-Ghali with the order issued by Izetbegovic.

Moslem terrorist Saban Muratovic has not so long ago tried to cause a disaster by releasing vast quantities of water from the artificial lake of the Visegrad hydroelectrical power plant in eastern Bosnia.

A sabotage of Moslem paramilitary formations—"green berets"—on the pipeline of the "Birac" alumina plant in the eastern Bosnia Zvornik area resulted in draining huge quantities of refuse water to the Sapna River, only a few kilometers from the point at which it joins the River Drina.

The Moslem side set fire at the Bosanski Brod oil refinery, northern Bosnia, to coincide with the stay of the E.C. observers in Bosnia-Hercegovina and accused the Serbs for this act.

[Belgrade TANJUG Domestic Service in Serbo-Croatian at 1808 GMT on 12 July transmits a Sarajevo-datelined report quoting Mladic's message to MacKenzie as saying: "The destruction of such a factory would cause an ecological catastrophe. Therefore, we ask you to do everything to prevent this from happening in the name of peace and protection of a huge number of people of all religions."]

Serbs Appeal to FRY Leaders on Crisis

LD1207231692 Belgrade TANJUG in English 2211 GMT 12 Jul 92

[Text] Sarajevo, July 12 (TANJUG)—Serbs of Gorazde sent on Sunday [12 July] night a dramatic appeal to Dobrica Cosic, president of the Federal Republic of Yugoslavia (F.R.Y.), and Milan Panic, Yugoslav prime minister designate, to save more than 2,000 Serbs from this town.

Unless they were immediately freed, the Serbs in Gorazde were to meet with certain death, warned the letter sent to Cosic and Panic.

Fierce fighting raged over the past two days at the outskirts of this eastern Bosnia town, held by the Moslem-Croatian forces, with the forces of the Serbian Republic of Bosnia-Hercegovina.

The Serbian Republic of Bosnia-Hercegovina Army commander, Gen. Ratko Mladic, warned on Sunday night the UNPROFOR chief of staff, Gen. Lewis MacKenzie, that Moslems in Gorazde were getting ready to mine the nitrogen plant, at the orders of Bosnia-Hercegovina Moslem leader Alija Izetbegovic, and cause a chemical catastrophy of vast proportions.

Radovan Karadzic, leader of Bosnia-Hercegovina Serbs, appealed on Saturday on the Gorazde residents, both Serbs and Moslems, to cease hostilities. The message followed an appeal by Yugoslav Prime Minister Designate Milan Panic for an end to hostilities in Gorazde.

"The Serbian people in the Gorazde municipality has for the past two and half years, since Alija Izetbegovic came to power, been deprived of the elementary right to life and for this reason was forced to leave its homes and seek shelter in Serbia and Montenegro," as set out, among other things, in the letter.

"In the town of Gorazde, itself, there are no more free Serbs, and more than 2,000 captive Serbs in the town may expect death at any moment," the letter concluded.

Karadzic Defends Offensive

LD1307121992 Belgrade TANJUG Domestic Service in Serbo-Croatian 1032 GMT 13 Jul 92

[Text] Paris, 13 Jul (TANJUG)—French Television [Television France 1] today broadcast a statement by Radovan Karadzic, Serbian leader in Bosnia-Hercegovina, in which he stressed "that all Serbs will be killed if they stop fighting." Karadzic explained that the Serbian nation is "independent, even from Belgrade."

"We are fighting because our situation is hopeless," he added, explaining the fighting around Gorazde. The television news announcer stressed that Yugoslav Prime Minister Milan Panic had probably asked Karadzic to explain "the offensive launched on Gorazde." The Bosnian Serb leader replied that he had "sent an appeal to halt the clashes and start talks between Serbs and Muslims."

Radovan Karadzic also expressed his opinion that "he does not see any reason for international military intervention." "The airport in Sarajevo is open and safe; in addition, we guarantee the passage of humanitarian aid convoys through land corridors," he stressed.

Serbs Takes Fortica Hill, 1,000 Muslim Fighters

LD1207163292 Belgrade TANJUG in English 1431 GMT 12 Jul 92

[Excerpt] Bileca, July 12 (TANJUG)—Army units of the Serb Republic of Bosnia-Hercegovina have captured the Fortica Hill overhanging Mostar, Hercegovina's major historical and cultural centre.

Sources of the Serb Republic of Bosnia-Hercegovina said on Sunday [12 July] it was possible to monitor from the hill the movements of Moslem-Croat forces in the Neretva Valley.

They added that the army of the Serb Republic of Bosnia-Hercegovina had ended successfully its mopping-up operation in Mt Velez foothills area near Mostar, seizing large amounts of arms, ammunition, equipment and food.

Twenty days earlier, the army of the neighbouring ex-Yugoslav Republic of Croatia had taken hold of Mostar and Mt Velez in a strong offensive.

Mt Velez and its foothills area (Podvelezje) are located in predominantly Serb-populated eastern Hercegovina.

In the three-month-old war in Bosnia-Hercegovina, regular army of Croatia sides with the local Moslem-Croat forces in warring against Bosnia-Hercegovina's Serbs.

The army of the Serb Republic of Bosnia-Hercegovina, now in its largescale offensive almost throughout Hercegovina, captured over 1,000 members of the Moslem paramilitary units near the Boracko Jezero Lake outside Konjic in northern Hercegovina, as was reported on Sunday by the SRNA news agency of the Serb Republic of Bosnia-Hercegovina.

SRNA also reported fighting on the Terbinje-Dubrovnik battlefront where Serb forces, having had certain losses, were now advancing again.

Croatian radio, still under censorship, reported on Sunday that artillery attacks were continuing on the Zupa Dubrovacka eastern outskirts of Dubrovnik. [passage omitted]

Zagreb Radio Reports Loss of Pecnik, Jakes

LD1207093392 Zagreb Radio Croatia Network in Serbo-Croatian 0800 GMT 12 Jul 92

[Text] Following the fall of Pecnik and Jakes [in northern Bosnia], the forces of the 102d Brigade of the Odzak Croatian defense council have withdrawn to their reserve positions to prevent the Serb aggressor from advancing on Odzak. The defense lines on the western Derventa front and south of Bosanski Brod have also been consolidated.

The most difficult situation is around Gradacac, which for the last 15 days has been surrounded by the enemy and subjected to ferocious attacks by the Serb aggressor from all types of long-range artillery weapons. The town was also bombarded from the air. Incendiary and cluster bombs hae been used in the attack. There has been an appeal to world opinion to prevent the Serbs from committing genocide against the Croatian and Muslim population in the area.

Croatians Retain Control of 'Destroyed' Odzak

LD1207143592 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 12 Jul 92

[Report by Vladimir Fajgl]

[Excerpts] An apparent lull, which both warring sides are using to regroup and dig in their forces, is reigning on almost all battlefields in Bosnian Posavina. In the Odzak area, reinforced forces from the Croatian Defense Council [HVO] and brave fighters from the HVO's 102nd Posavina Brigade have managed to halt and, in yesterday's cannon counterattack which lasted until last night, repel all attacks by the Serbian aggressor, who withdrew to the starting positions with great losses. Heroic Odzak, which many describe as the Vukovar of Bosnian Posavina, let the aggressor know again that they will not succeed in their intention to open up the northern corridor toward Bosanski Samac. Ozdak, although a destroyed city, has not fallen into the enemy's hands. [passage omitted]

Large groups of weekend chetniks today left some battlefields in this area because the aggressor has recently suffered huge losses in manpower and war equipment. They are, therefore, cowardly attacking the positions of HVO forces with long-range cannons and combat aircraft.

'Massacre' of Serbian Villagers, Children Reported

LD1307104792 Belgrade TANJUG in English 0919 GMT 13 Jul 92

[Text] Belgrade, July 13 (TANJUG)—Members of Muslim paramilitary units have massacred the inhabitants of the Serbian villages of Gornje Selo, Straiste, Siljac, Bunovci and Ljuca in the region of Mount Igman, in the central part of the war-torn former Yugoslav Republic of Bosnia-Hercegovina.

Members of Dusko Cvjetic's family were butchered as were Dusan Siljegovic and his three grandchildren, the eldest was 11 years old, Mirko Kravljaca a bed-ridden old man and his wife, 90-year old Kosta Sehovac and his wife, including Lola Sehovac an invalid and his wife, said the Belgrade daily POLITIKA EKSPRES on Monday [13 July].

Survivors of the massacre say that another 50 unarmed villagers were also killed in these villages.

In the attack on the Serbian villages, former neighbours—Muslims, members of the Causevic, Huruz, Omerbegovic, Sarajlic and Ploskic families took part.

All the Serbian villages have been torched, said POLITIKA EKSPRES.

Muslim-Croatian paramilitary formations have butchered 700 old men, women and children in the Serbian village of Smoluca near Lukavac in Northern Bosnia. The village has been looted and destroyed, said the Belgrade daily VECERNJE NOVOSTI on Monday.

The Serbian village of Gornja Lohinja near Gracanica, in northern Bosnia from which the villagers fled a week ago, has been looted and burned down, said VECERNJE NOVOSTI.

Over 110 Serbs Killed in Doboj Fighting

LD1307144692 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 13 Jul 92

[Text] From the regional command of the Croatian Defense Council (HVO) in Busovaca we received the latest news about last night's action carried out by the 109th Usora Brigade and 110 Doboj Brigade of the HVO in which they liberated a part of Doboj.

Several thousand fighters participated in the action in which two tanks and about 10 anti-aircraft machine guns were destroyed, while two tanks and five anti-aircraft machine guns were captured. HVO fighters have taken an important position on Putnikovo Brdo and cut chetniks' path to the village of Stanovi [west of Doboj]. These battle victories have fulfilled the conditions for the units from central Bosnia to link up with the HVO units defending Bosnian Posavina. Seven HVO members died in the battles for Doboj, while more than 110 Chetniks were killed.

Muslims from the village of Klokotnica [east of Doboj] did not want to join in the action under the pretext that harvest is in progress and that they could not leave their wheat fields.

The HVO's reconnaissance team managed to intercept a radio message saying that chetniks in Doboj are striken by great panic and that the Knin sheriff, Mile Martic, who is now in the town, is getting ready to escape towards Belgrade or Knin. Hunger and two types of jaundice are reigning among chetniks on Mt. Ozren. Chetniks from Teslic are asking for five tonnes of flour in exchange for one civilian prisoner.

Muslim Official Confirms Muslim-Croat Clashes

LD1107040392 Belgrade TANJUG Domestic Service in Serbo-Croatian 1208 GMT 10 Jul 92

[Text] Ljubljana, 10 Jul (TANJUG)—The situation in Bosnia-Hercegovina is three times more difficult than one can find out from the media, Rasim Kadic, president of the Liberal Party of Bosnia-Hercegovina, stated at a news conference in Ljubljana where he was the guest of the Liberal Democrat Party of Slovenia.

Conflicts between the units of the Croatian Defense Council and the armed forces controlled by the Presidency of Bosnia-Hercegovina have already begun, Kadic stated. If these conflicts spread then there is danger of a destructive military collision. That is why Kadic recently visited Croatia to try to find a solution for this problem. As he stressed, he was not very satisfied with the result of his talks.

None of the three constitutive nations in Bosnia-Hercegovina want to live with the other ones. In the beginning the Serbs were the ones who did not want a joint state. This now also applies to the Muslims. Open military cooperation between Bosnia-Hercegovina and Croatia is possible in the future while his opinion is that the only real solution is U.S. military intervention on selected targets.

Serbia-Krajina Road Link Established; 1,500 Return

LD1207225892 Belgrade TANJUG Domestic Service in Serbo-Croatian 2026 GMT 12 Jul 92

[Text] Doboj, 12 Jul (TANJUG)—A road link between Krajina and Serbia was established since the Bosanska Posavina corridor was taken. This makes it possible for Serbs to return to their homeland.

A convoy of 1,500 people arrived safely on Serbian Republic of Bosnia-Hercegovina territory via this road because the Serbian Army is firmly holding the corridor.

About 9,500 people are expected to return over the next few days. As many as have been staying in Serbia, Red Cross figures indicate.

Tudjman Seeks International Military Intervention

LD1207201592 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 12 Jul 92

[Text] Croatian President Dr. Franjo Tudjman today sent a letter to UN Secretary General Butrus-Ghali and heads of state and prime ministers saying:

The Republic of Croatia is facing insurmountable obstacles regarding the reception, accommodation, and feeding of the fresh surge of refugees from Bosnia-Hercegovina which started on 11 July. More than 20,700 Bosnian refugees have fled to Croatia over the past 24 hours alone. Their panic-stricken condition is best characterized by the fact that many of them, even women and children, swam across the Sava River seeking shelter on the Croatian side. The overall number of refugees for which the Republic of Croatia is providing has topped 650,000, approximately 361,500 being refugees from Bosnia-Hercegovina.

The Serbian-Montenegrin aggressors have been taking advantage of the world's attention, focused on events in Sarajevo, and have been intensifying their attacks on all parts of Bosnia-Hercegovina and part of Croatia. Events along the Sava River have been particularly dramatic: Muslims and Croats are being massacred on the Bosnian side, while surface-to-surface missiles are destroying towns like Slavonski Brod on the Croatian side.

No international attempts to use political and economic means to force Serbia and Montenegro to stop the war and find a peaceful solution have yielded results. The only remaining solution is an urgent and energetic military intervention by international forces. Every day of postponing means hundreds of fresh casualties, predominantly civilians and children, and thousands of people being evicted from their own homes.

Therefore, we propose that the UN Security Council covene an emergency session and adopt a decision on military intervention as the only way to secure normal life in this part of Europe, Croatian President Dr. Franjo Tudjman's letter to UN Secretary General Butrus Ghali and world statesmen concludes.

Serbian Leader Sends Letter to Russia's Kozyrev

LD1007115692 Belgrade TANJUG in English 1120 GMT 10 Jul 92

[Text] Belgrade, July 10 (TANJUG)—Franjo Tudjman, president of the former Yugoslav Republic of Croatia started the war in the territory of former Yugoslavia in order to win this republic's independence, while Moslem leader Alija Izetbegovic has proclaimed a war to the last man in the former Yugoslav republic of Bosnia-Hercegovina in order to realize his unitary state.

This was pointed out by Goran Hadzic, president of the Republic of Serb Krajina within the administrative boundaries of Croatia, in an open letter to Russian Foreign Minister Andrey Kozyrev on the occasion of Kozyrev's statements that Serbia "is waging war on its Slav neighbours" and that it was true that there was a traditional friendship between Russia and Serbia, but also between Russia and other "Slav peoples who live in the territory of former Yugoslavia."

"After the proclamation of the Croatian state in a part of Bosnia-Hercegovina, hopefully it is clear even to Minister Kozyrev who is conquering Bosnia and waging war with the goal of forming a Croatian state," Hadzic said. [passage omitted]

"The agreed pact between Bosnia-Hercegovina and Croatia clearly indicates that this is a Croat-Moslem coalition against Serbs, who must defend themselves in all their ethnic territories in the former Yugoslav republics in which the Serb people have a constituent role," Hadzic wrote to the Russian foreign minister.

Hadzic said that the sanctions imposed by the United Nations (U.N.) against Serbia and Montenegro at the urging of the United States and Germany because of their alleged involvement in the war in Bosnia-Hercegovina show that the field is being prepared for a similar action against Russia.

He also expressed concern for the fate of all Christian Orthodox peoples if Russia abandoned them, wondering if it was possible that Kozyrev was giving equal consideration to the traditional Serbian-Russian friendship and relations with their common enemies from both world wars, especially those among Croats and Moslems.

The president of the republic of Serb Krajina ended his letter to Minister Kozyrev asking him "to free Serbs and Serbia from his personal friendship."

Merchants Urged To Help Implement UN Blockade

LD1207222892 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 12 Jul 92

[Telegram from the Croatian Maritime Affairs Ministry to the Croatian merchant fleet]

[Text] A naval blockade is being imposed in the Strait of Otranto and along the Montenegrin coast to maintain UN sanctions on Serbia and Montenegro. The blockade will be secured by warships from West European countries, including NATO. All ships owned by Croatian ship companies are instructed to cooperate and help implement the blockade. While navigating in the Adriatic Sea and the Strait of Otranto, in the area in which the blockade has been imposed, use the western routes of the free waters. We ask you to inform us immediately about any event concerning your ship and the blockade.

International

CSCE Meeting Ends in 'Shadows of Crises'

LD1207101592 Belgrade TANJUG in English 1909 GMT 11 Jul 92

[By Branko Stosic]

[Text] Helsinki, July 11 (TANJUG)—The third summit of the Conference on Security and Cooperation in Europe (CSCE), envisaged as a turning-point and the beginning of a new era in Europe, ended in Helsinki on Friday [10 July] night in the shadows of crises which have been rocking some of its regions—from the Balkans to the Caucasus—and its very process and forums.

The two-day summit of 51 member-states from Vancouver to Vladivostok failed to show readiness to face reality, to perceive the cause-effect correlation and which, together with foreign interference mixed with good services, further complicated CSCE decisions.

The summit, attended by member-states from Europe, America and Asia, also showed that the CSCE is overshadowed by the big countries whose influence in the world is crucial.

In the adopted declaration, the CSCE poses as a superior institution, declaring the importance of its trans-Atlantic dimension, coordination and the necessity for cooperation with the European Community and the North Atlantic Treaty Organization (NATO), as well as other organizations. However, the CSCE has in fact placed itself under their umbrella, [words indistinct] political excuses to decisions adopted outside its forums and bodies.

The adopted formula that the future of Europe must be protected by "creating peace", not only by keeping and preserving it, reveals the primary interest of the chief factors in European and international politics to fulfill at all cost their original mission—the establishment of a new world order and the elimination of all obstacles standing in the way.

Ahead of the summit, a declaration was adopted transforming the CSCE from a forum for dialogues among the equal into an institution with a nearly conventional hierarchy in term of its organization and structure.

The new CSCE charter [word indistinct] the standards of the Helsinki process, established in 1975, but at the same time, due to the changes in eastern parts of Europe, tacitly approves the rejection of one of its earlier steadfast rules—non-interference in the internal affairs of others.

This principle was, in practice, annulled in the field of human rights and the rights of minorities and now has virtually no importance in any field.

On this basis, the CSCE summit heralded a "Europe of citizens" which expresses the general [words indistinct] Europe and international relations by overcoming the so-called ethnic principle, through curbing explosions of aggressive nationalism in many regions.

This was well understood by the future Yugoslav Prime Minister Milan Panic who, suddenly appeared in Helsinki on Friday, drawing the interest of journalists who covered the closing of the summit and who thus became, at the key moment of the main event in the world, the focus of media attention.

Although the Yugoslav delegation has been suspended from the CSCE until October 14, Panic succeeded in getting a number of leading television and radio stations to give live coverage to his messages—that he wants peace and that he is against nationalism, either in Serbia, Croatia or Bosnia [word indistinct] and former Yugoslav republics.

He also met with the foreign ministers of the two countries which could play a key role in Yugoslavia's return to the CSCE and the world, the United States and Russia. This is all the more important since the summit had, only a day earlier, practically refused to hear out a special message sent by Yugoslav President Dobrica Cosic.

Panic Comments on Authority, Milosevic Role

AU1007194492 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT 10 Jul 92

[Text] Speaking at a news conference in Helsinki, Milan Panic, prime minister designate of the Federal Republic of Yugoslavia, said that he had come to Helsinki because he wants peace. What I spoke about during my meeting with Secretary of State Baker is going to satisfy the entire world, Panic said. I intend to use all the power given to me by the Constitution to introduce a democratic system and carry out the democratization of Yugoslavia. I will use all possible means to prevent anyone—any person or any concept—that would hinder me.

According to the new Yugoslav Constitution, Panic told journalists, I have power equal to what President Bush has in the United States, and President Milosevic has the power of a governor. I am going to do my job and let him do his, and God help him if he stands in my way.

Panic pointed out that he received support from Russia such as he did not expect. Russia also wants me to organize Serbia and Yugoslavia in such a way that they will find themselves in the international community again, so that everyone will respect us again.

In my opinion, Panic said, Serbs do not hate Croats, Croats do not hate Serbs, and Serbs do not hate Muslims. In my family, I have Muslims, Serbs, and Croats, and God help those people who cause hatred in my family.

Foreign Ministry Criticizes CSCE Declaration

LD1207165892 Belgrade TANJUG in English 1504 GMT 12 Jul 92

[Text] Belgrade, July 12 (TANJUG)—The declaration on Yugoslavia adopted at the summit of the Conference on Security and Cooperation in Europe (CSCE) in Helsinki on Friday [10 July] is unacceptable, said the Foreign Ministry of the Federal Republic of Yugoslavia (F.R.Y.) on Sunday.

The accusations about the "primary responsibility" of the F.R.Y. for the wars in the former Yugoslav Republics of Bosnia-Hercegovina and Croatia and the jeopardizing of the rights of minorities are incorrect, groundless and unjust, the Foreign Ministry statement said.

Parts of the declaration which negate the transformation of the F.R.Y. into a modern, democratic state ruled by law which is well underway are also untenable, the statement said.

The F.R.Y. is trying to achieve and ensure a lasting peace in what was once Yugoslavia, justly settle the problems of states which emerged from the former Yugoslavia, engage itself in ending the tragic armed conflict and find a peaceful solution to the crisis in Bosnia-Hercegovina on the basis of accord of the three equal nations living there—Moslems, Serbs and Croats, the statement said.

It pointed out there were no members of the army of the F.R.Y. in Bosnia-Hercegovina, recalling that the F.R.Y. had called on all three sides in Bosnia-Hercegovina to stop the clashes, prevent the further loss of human lives, stop the suffering and hardships of the people and destruction of Sarajevo and other cities and enable the delivery of humanitarian aid to the threatened and the refugees.

The F.R.Y. had on several occasions sent such messages particularly to the Serbian side in Bosnia-Hercegovina, suggesting that it unilaterally declare a ceasefire and its suggestions had been accepted, the statement said.

The one-sided and unjust accusations against the F.R.Y. in fact befog the responsibility of some CSCE member-states and the authorities of Bosnia-Hercegovina for violating the constitutional equality of all three constituent nations in the Republic and the premature recognition of its independence, contrary to the conclusions of the conference on Yugoslavia and the then course of the conference on Bosnia-Hercegovina, said the statement.

This, in turn, broke the peace and relative stability in Bosnia-Hercegovina and it was plunged into a civil, ethnic and religious war, said the statement.

Bosnia-Hercegovina was recognized as an independent state by the European Community on April 7.

The statement issued by the Foreign Ministry of the F.R.Y. pointed out the orientation of the Moslem authorities towards a military option for the settlement of the crisis and the use of force in Bosnia-Hercegovina, warning that the compliance with its request for a direct outside military intervention would undoubtedly have disastrous consequences on peace in what was once Yugoslavia, the Balkans and Europe.

The statement said that the CSCE declaration overlooked the fact that top officials of the Moslem authorities have persistently refused to take part in the continuation of the conference on Bosnia-Hercegovina under the auspices of the European Community and thus blocked the search for a peaceful solution to its crisis for some time.

On assessments in the CSCE declaration about the alleged infringement of the rights of ethnic Albanians in the Serbian Province of Kosovo, the Yugoslav Foreign Ministry statement recalled that the basic cause of the problems in Kosovo was aggressive and persistent separatism and failure to recognize the territorial integrity of the F.R.Y. and the Republic of Serbia, and not a case of violation of the rights of minorities by the Yugoslav and Serbian authorities.

The F.R.Y. has been reiterating its constant and sincere committment to the exercise of the rights of minorities, including ethnic Albanians, according to the highest standards of the CSCE and the United Nations, the statement said.

The political parties of ethnic Albanians in Kosovo urge for the setting up of a Republic of Kosovo, its secession from Yugoslavia and Serbia and annexation to Albania.

There are no problems provoked by acts of the authorities which would justify the inclusion of Sandzak and Vojvodina among those regions in Europe where the rights of national minorities are being violated.

Sandzak lies on the territories of the Republics of Serbia and Montenegro and Moslems there account for about 50 percent of the population, while Vojvodina is an ethnically-mixed province in Serbia where Serbs account for a considerable majority of the population.

The Yugoslav Foreign Ministry statement pointed out the openness of the F.R.Y. to all foreign visitors, even a CSCE mission, who want to see for themselves the position of national minorities.

In the end, the Yugoslav Foreign Ministry statement wonders why the CSCE declaration openly interferes in the internal political life of the Republics which make up the F.R.Y. (Serbia and Montenegro), since this is not in keeping with the obligations of the CSCE member-states contained in the Paris Charter on the acceptance and recognition of the authorities elected at democratic elections.

The F.R.Y. assessed as positive the CSCE declaration on the "challenges of change" and reiterates its absolute and lasting committment to all basic principles, goals, documents and standards of the CSCE, the statement said.

The Yugoslav Foreign Ministry expressed hope that the unjust decision on the suspension of Yugoslavia from the CSCE would be revised, that the F.R.Y. would soon be able to constructively and fruitfully contribute to European security and cooperation at CSCE meetings, as it has so far.

The CSCE has instituted the principle of empty seat in the case of F.R.Y. until October 14, 1992.

Brankovic Stresses Importance of Non-Interference

LD1007173992 Belgrade TANJUG in English 1326 GMT 10 Jul 92

["Pool" item]

[Text] Geneva, July 10 (TANJUG)—Branko Brankovic, the representative of the Federal Republic of Yugoslavia at a preparatory meeting of the Group of 15 developing countries in Geneva, said that the principle of non-interference in the internal affairs of other countries was crucial to the Yugoslav crisis and pointed out the importance of its consistent implementation.

The recent show of force by warships of the U.S. Sixth Fleet off the Yugoslav coast has not demonstrated the weakness of this principle, but has only shown that the strong and powerful can violate principles built into the United Nations, international peace and security in the belief that [words indistinct] afford to do so," [quotation marks as received] he said.

At [word indistinct] meeting for the G-15 Summit scheduled to take place in Senegal in November, Brankovic expressed support to the concept for restructuring the U.N. in order to "strengthen its role in international affairs so as to avoid the domination of a few powerful states in these affairs."

The personal envoys of the leaders of the [word indistinct] member states said that the U.N. should play a central role in collective efforts aimed at defining a new world order.

The new order should be founded on the rule of law, based on the principles of the U.N. charter on sovereignty, equality, universality [as received] and the recognition of the specific characteristics of a nation.

Such a new order should also respect territorial integrity and independence of states, they said.

The G-15 group comprises India, Indonesia, Malaysia, Egypt, Algeria, Nigeria, Senegal, Zimbabwe, Yugoslavia, Brazil, Argentina, Mexico, Peru, Venezuela and Jamaica.

The G-15 countries have been entrusted by the Third World with deficing [as received] and elaborating strategic goals in south-south cooperation. Futhermore, the group is making an effort to reopen a north-south dialogue maintaining that industrialized countries have imposed a north-north approach, thus pushing to the sidelines south countries, whose populations account for two-thirds of all mankind.

Lord Carrington Denies Plan to Quit Peace Mission

LD1307080492 London PRESS ASSOCIATION in English 0749 GMT 13 Jul 92

[By Chris Moncrieff, PRESS ASSOCIATION political editor]

[Text] Lord Carrington today fiercely denied reports that he was planning to give up his post as the European Community's peace negotiator in Yugoslavia. A report in today's DAILY TELEGRAPH claimed "sources close to his family" said he was ready to quit. "I don't know where that came from," Lord Carrington told the PRESS ASSOCIATION. Asked if he had any plans to give up the role, he simply said: "No", and ended the conversation.

Lord Carrington, a former foreign secretary, has been facing pressure to leave this post. Sir John Nott, another former defence secretary, said yesterday that he was not in favour of continuing the European peace mission Lord Carrington is leading. Sir John told BBC Radio 4's The World This Weekend: "Lord Carrington's personal efforts should be applauded. I think he has been courageous and persistent, but he has never had a decisive mandate. He has been the victim of a weak and vacillating European Community."

Sir John said he believed the Foreign Office had woefully misjudged the situation for more than a year. He claimed that only now, a year too late, did it recognise that there was no solution without a change of regime in the Serbian capital, Belgrade. "The Belgrade regime and the federal army have no reason for peace. If there is peace, they will disintegrate," Sir John said. "The British are being increasingly humiliated by having one of its most distinguished statesmen, Lord Carrington, associated with repeated failure. So I am not in favour of a continuation of this European peace mission led by Lord Carrington." [passage omitted]

Later Lord Carrington said: "I was asked by the European Community whether I would do this and I don't think you give up because things have gone very badly unless those who appointed you want to. I have been going now for 11 months—I can't pretend it has been other than very hard work and very dispiriting—but I don't think one ought to give up until it is obvious that the thing has run out of steam," he told the BBC Radio 4 programme Today. Winding up the EC peace mission and starting again under the United Nations or another authority would not make any difference, he said.

"You are perfectly entitled to say that I am no good but the problem isn't really going to change and the problem is that they don't want peace at the moment," he said. Negotiators representing the various groups in what was Yugoslavia were not negotiating in good faith. I believe

one can only get peace in these sort of circumstances when the parties actually want to have peace and, at the moment, that's not true," he said. But he still hoped the Bosnian parties would come to London this week and meet Foreign Secretary Douglas Hurd.

Federal

European Union Fleet Seen as 'Military Pressure'

LD1307105192 Belgrade TANJUG in English 0945 GMT 13 Jul 92

[Text] Belgrade, July 13 (TANJUG)—A genuine naval blockade of Yugoslavia has not yet been proclaimed by anyone, and, under international law, such an act would in peacetime be an act of aggression against Yugoslavia, the Belgrade daily POLITIKA said on Monday [13 July].

Chapter Seven of the U.N. Charter envisages military measures which could be placed under the heading "blockade," but officials of the Western European Union (WEU) say that warships "will not for the time being either stop or check the merchant vessels sailing to the Yugoslav ports of Kotor and Bar," POLITIKA said.

The explanation means that the duty of the fleet in the Strait of Otranto is only to record the passage of vessels sailing to the Yugoslav ports, their names and flags, a job for which a patrol boat and a helicopter are quite sufficient, Commentator Miroslav Lazanski said in POLITIKA.

The conclusion that can be drawn, therefore, is that the purpose of the WEU fleet is to demonstrate force and put military pressure on Yugoslavia and not to monitor shipping in the Adriatic, Lazanski said.

Lazanski said that the answer to the question whether the WEU fleet's assignment would acquire a more concrete form would depend on the decision of the U.N. Security Council, in which context the commentator quoted U.S. State Secretary James Baker as "charmingly stating" that the Security Council will pass a new resolution if necessary.

The disastrous mistakes made by the European Community and the United States when they recognized the former Yugoslav Republics of Slovenia, Croatia and, in particular, Bosnia-Hercegovina before a political accord was reached is now being paid for in blood by all three peoples (Serbs, Muslims and Croats) in Bosnia-Hercegovina, where a civil war has been raging for three months, Lazanski said.

The fleet of warships in the Adriatic is an effort to "cover up" those mistakes and give them "legal force," as if the politicians in the West did not know about the legal principle according to which "what was legally disputed or invalid from the start cannot be made legally valid by any subsequent decisions."

Discussions on Sanctions, Need for U.S. Talks

LD1207202192 Belgrade TANJUG in English 1812 GMT 12 Jul 92

["POLITIKA on Necessity of Dialogue With United States"—TANJUG headline]

[Text] Belgrade, July 12 (TANJUG)—If the United Nations sanctions against the Federal Republic of Yugoslavia last for a long time, its first victim could be the government of the future Federal Prime Minister Milan Panic, the Belgrade daily POLITIKA warned in its editorial on Sunday [12 July].

The author, the head of the Serbian parliament foreign policy committee Aleksandar Prlja, noted that thus "by going for wool, a part of the international community and the United States would come home shorn. All of us would enter a period of such deep instability and confusion that it is reason enough to speed up dialogue." Pointing out that "without such dialogues, there is no chance of actually implementing all that should be changed in relations between the Federal Republic of Yugoslavia and the world," Prlja said that, unlike a lengthy earlier period, in the past few days Yugoslav officials and U.S. representatives have held several meetings based on "unbiased reasoning, stripped of all emotions."

Prlja lists last week's talks held by president of the Democratic Party Dragoljub Micunovic in Washington and New York with senior State Department and United Nations officials, and the meetings of Prime Minister-Designate Milan Panic with U.S. Secretary of State James Baker and Russian Foreign Minister Andrey Kozyrev in Helsinki on Friday.

The process of dialgoues should be built up "stripped of political exclusiveness and without rushing political goals. The sole urgent aim is the ending of the war and armed hostilities. The second can and must be moderateness in setting political goals and deadlines," Prlja said in POLITIKA.

Government Still Making Regular Payments To IMF

LD1107100892 Belgrade TANJUG in English 1735 GMT 10 Jul 92

[Text] Belgrade, July 10 (TANJUG)—The Federal Republic of Yugoslavia regularly meets its payments to the International Monetary Fund, despite the international blockade, National Bank of Yugoslavia Director Gavrilo Djedovic said on Friday [10 July].

Djedovic said that Yugoslavia's regular payments were made possible by the "constructive approach of the IMF and foreign banks" and "the cooperation shown by the U.N. Security Council's committee in charge of following the implementation of sanctions against the Federal Republic of Yugoslavia."

The meeting of payments to and cooperation with the IMF are "of outstanding importance for the maintaining of Yugoslavia's continuity in that international financial institution," Djedovic said.

The Republics of Serbia and Montenegro in April proclaimed the Federal Republic of Yugoslavia as a successor of the former Yugoslav federation of six republics.

Cooperation with the IMF is a key precondition "for possible foreign support to the economic programme of the Government of the Federal Republic of Yugoslavia in the future," Djedovic said.

The Yugoslav Prime Minister-Designate, Serbian-born U.S. businessman Milan Panic, on Thursday sought from IMF Director-General Jean Michel Camdessus support for the implementation of economic reforms in Yugoslavia and the maintenance of good cooperation between the Federal Republic of Yugoslavia and the IMF.

Yugoslavia is a co-founder of the IMF, which means that it has been its member for 46 years. It is a recipient of IMF funds and is among the countries which most regularly meet their obligations towards that international financial institution. In fact, Yugoslavia has never been late in making its payments to the IMF.

In the 1979-1991 period, when Yugoslavia still had six republics, it received 3.5 billion special drawing rights from the IMF, of which it used roughly 2.7 billion.

Yugoslavia concluded its latest stand-by arrangement of 600 million dollars with the IMF in 1990, but drew only 85 million dollars of it before the agreement was annulled in September 1991.

Government Extends Bank Note Replacement Deadline

LD1107090792 Belgrade TANJUG in English 1715 GMT 10 Jul 92

[Text] Belgrade, July 10 (TANJUG)—The Yugoslav Government has extended to July 25 the deadline for the replacement of dinar bank notes, the Information Secretariat said on Friday [10 July].

Residents of the Federal Republic of Yugoslavia have for nine days been queuing at commercial banks throughout Yugoslavia to replace old bank notes as no smaller denominations are available.

On July 1, the Yugoslav Government introduced new economic measures, including the devaluation and denomination of the national currency dinar and the replacement of bank notes. Bank officials in Belgrade say the money supply will normalize early next week.

The Serbian Service for Money Transactions says the queues are the result of a wrong estimate by the Yugoslav National Bank (NBJ), concerning the needed quantities of money and its structure.

Director of NBJ safety vaults Milka Djric told TANJUG that over 90 percent of the new notes were printed in 5,000- and 1,000-dinar denominations.

The Serbian Government said on Thursday it would propose that the Federal Parliament discuss the responsibility of the NBJ governor and his associates for failing to organize properly the replacement of notes.

It said a special governmental commission would examine by July 14 the responsibility of the Serbian National Bank and the republic's Service for Money Transactions and Financial Control.

Serbia

Bozovic Discusses UN Blockade, Minority Rights

LD1207190392 Belgrade TANJUG in English 1758 GMT 12 Jul 92

[Text] Belgrade, July 12 (TANJUG)—In Serbia, as the consequence of a United Nations blockade of the F.R. of Yugoslavia on May 30, the biggest social problems may be expected to arise among workers employed in the manufacturing industries and among unwealthy farmers, Prime Minister of Serbia Radoman Bozovic said on Sunday [12 July].

The aim of the government's administrative steps last week, Bozovic told Belgrade POLITIKA EKSPRES daily in an interview, was to avert any heavy effects on the state's social and economic stability as long as the blockade lasted.

"The critics of the government steps either do not understand or do not want to realize that they have been taken not because the government is determined in favour of the administrative economy but because the consequences would have been disastrous had we not reacted in a way which in our view is the only possible way so long as the blockade lasts," said Bozovic.

He dodged a direct answer when asked about an alleged 200,000 workers in Serbia being on a paid leave, but predicted that a large number of workers would become jobless if the blockade lasted longer than two or three months.

Under the law on wages and salaries, Bozovic explained, provisions were made for the jeopardized enterprises (mainly importers and exporters) not to close down. The government would intervene to ensure salaries for enterprises incapable of operating under the blockade, said Bozovic.

"Despite all hardships, economic life has not come to a standstill, the threat of a deluge is not looming large, and one must beware of forlornness," said Bozovic.

He praised intentions of Milan Panic, prime minister designate of the F.R.Y. and American businessman. "I shall only hear his program," added Bozovic.

Bozovic said some European countries were pointing to the rights of national minorities in Serbia in order to "raise the question of secession." He said "I would rejoice at the opportunity of talking with any president of any European state about the status of minorities in Serbia."

Premier Opens Bridge Linking Republic With Besnia

AU1207160992 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 12 Jul 92

[Excerpts] Several thousand residents from Macva and Semberija attended a great celebration today in (?Padovina) on the Drina River. The newly built Pavlovic's bridge was opened for traffic. The bridge was named after Mr. Slobodan Pavlovic, a Serb from the United States, who was the main initiator for this beautiful construction that links Serbia with the Serbian Republic of Bosnia-Hercegovina. Serbian Prime Minister Dr. Radoman Bozovic spoke at the celebration. [passage omitted]

[Begin recording] Esteemed residents! In these historic times for our republic and the entire Serbian nation, today's goal is not merely a symbolic goal, but more. I would like to take this opportunity to say that we are ready for dialogue and understanding, but we are not ready to betray Serbia and the Serbian nation. [applause]

We understand when the world demands dialogue, understanding, adherence to the international standards, and respect of rights of others, from us, but we cannot understand when the world demands for us to betray our national interests. Serbia and the Serbian nation cannot be bought by any blackmail, any [word indistinct], or prohibitions. I would like to say to all those at home and abroad who think that the cruelty of the economic sanctions also means an opportunity to humiliate Serbia and the Serbian nation that they will not succeed in this. [applause]

I would like to call for unity and harmony for all residents of Serbia, and the entire Serbian nation, for unity on key national interests and goals and differences in political views and political understanding. A difference should not mean [word indistinct], should not mean a hesitation on basic national interests. With his project, Mr. Pavlovic proved that the nation on both banks of the Drina River can never be separated or forgotten. [applause] We shall send humanitarian aid to our people in the Krajinas. They accuse us of helping the aggression. What kind of aggression is this when the residents are defending their homes, houses, and villages? Nobody has a right to consider this an aggression, regardless of how powerful and mighty he may be. We believe that our people's desire to live in these territories equally and justly is stronger than any power. [applause]

I would like to reiterate once again that our readiness for understanding and dialogue with all those who think differently cannot be perceived as willingness to let an inch of the Republic of Serbia or the land populated by the Serbs be a subject of trade with anyone. [applause] I wish to call upon all residents on the other side of Drina River, all Serbs, all Muslims, and all Croats of good intentions to lay down their arms and search for solutions for an equal and joint life through political dialogue. There is no happiness and no winner in a war of neighbors. To those who believe it is possible to humiliate this nation, wipe it away, or insult its national pride with the help of international interests, I am convinced that this could not be achieved through force, as this would not be just. Long live Serbia! Long live the Serbian nation and all people of good intentions! Long live! [end recording] [passage omitted]

Patriarch Says Not Only Muslims Suffer in Bosnia

LD1207104792 Belgrade TANJUG in English 1936 GMT 11 Jul 92

["Pool" item]

[Text] Belgrade, July 11 (TANJUG)—His Beatitude, the Serbian Orthodox Church Patriarch, Pavle, stated understanding for the concern of head of the Moslem community, Reis Ul Ulema Hadzi Jakub Selimoski, over the plight of Moslems in Bosnia-Hercegovina, but pointed out to the need to view also the other aspect—that the Catholics and the Orthodox also suffered. In Bosnia-Hercegovina, the Moslem-Croatian coalition, assisted by the units of the Army of another former Yugoslav republic—Croatia lashed with local Serbs.

In response to a letter of the Islamic community head on July 1, the Serbian patriarch said that he has invited Selimoski and Cardinal Franjo Kuharic four times since April to meet and jointly do all that was in their power to stop bloodshed and open just peace talks. "How many individuals in camps, how many wounded, how many killed, for the sole reason that they were members of another nation and faith, and because they, too, wanted to be free as do all other nations. They suffer most at the hands of the bloodthirsty individuals, brutes and criminals, regardless of which creed they say they belong to," said the patriarch.

Patriarch Pavle recalled in conclusion: "How many times have I spoken and pleaded and begged in writing and by word of mouth through the media for peace to be maintained, and when the had killing begun—for the evil to cease, urged that we behave as men and conduct ourselves as men of faith in one God of justice, truth and peace, who implores us to justice, but cannot reach us."

Students Demand Arrest of Radical Party Leader

LD1107102692 Belgrade TANJUG in English 1925 GMT 10 Jul 92

[Text] Belgrade, July 10 (TANJUG)—The main board of the Students' Protest '92 and Belgrade University Rector, Professor Rajkm Vracar, on Friday [10 July]

demanded that Vojislav Seselj, the leader of the Serbian Radical Party, be arrested and stripped of his parliamentary immunity.

The demands were sent to the Serbian Interior and Justice Ministries and the Serbian Parliament speaker.

The [word indistinct] demands were set out by so-called Kapetan Dragan, on behalf of the Association of Veterans and Invalids of the war which is still raging in parts of former Yugoslavia.

The representatives of the students' main board said the demands for Seselj's arrest were prompted after Seselj took out his gun and threatened to use it against students who were peacefully demonstrating outside the Serbian Parliament on Thursday afternoon. They described Seselj's action as a "terrorist act and an open call for bloodshed."

The students [words indistinct] for a reply from competent organs until [word indistinct] Tuesday and if their demands are not met, they said they would demonstrate outside the Parliament. Kapetan Dragan also announced the possibility of large-scale demonstrations.

The Serbian Radical Party on Friday issued a statement of protest because, as it said, "police and state organs did nothing to prevent aggressive assaults on the personal safety of citizens". A statement issued by the party said this was not the first time that "rampaging street mobs" attacked some of its members.

Seselj told a news conference that this time, when the students threw "bottles, [word indistinct] and other objects", he reacted only with threats. "Next time I will go all the way and will not be responsible for any possible consequences," Seselj said.

Kosovo

Albanian Parties Reply to Serbian Offer of Talks

AU1207172792 Tirana ATA in English 0916 GMT 12 Jul 92

[Text] Tirana, July 12 (ATA)—According to ATA collaborator from Pristina, Behlul Jashari, the Coordinating Council of the Albanian political parties of the Republic of Kosovo sent a letter to the vice-chairman of the Government of Serbia, Dr. Zoran Arandjelkovic, who as is known, in the name of his government, some days ago, has signed the telegrams inviting the Albanian political parties for talks with the chairman of the Serb Government Radoman Bozovic. These talks were planned to be held in Belgrade on July 13, 1992.

The letter of the Coordinating Council of the Albanian political parties of the Republic of Kosovo says, among others, that they are of the opinion that these talks should be well prepared, as international and European institutions also suggest. To this end, we propose that by middle of the next week, on July 15 or 16, representatives of the Government of Serbia and authorized representatives of the legal institutions of the Republic of Kosovo and of political parties meet in Pristina or Belgrade for preliminary talks on the topics and other modalities of the talks on Kosovo and on the establishment of the legal constitutional juridical order in it.

Macedonia

Thousands Protest EC Demand To Change Name

AU1207162092 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 12 Jul 92

[Report by Boris Djordjioski from Skopje]

[Text] More than 50,000 people—according to some estimates more than 100,000 people—protested in the town center today against the EC declaration signed in Lisbon. They protested the ultimatum-like decision by the EC that Macedonia change its name if it wants international recognition.

The Macedonian nation does not recognize the Lisbon declaration and Macedonia will never, regardless of the pressures exerted, change its name. This statement could be heard most frequently at the protest that was blessed and greeted by the highest dignitaries of the Macedonian Orthodox Church. All people gathered have sworn that nobody should be allowed to erase the historic roots of the Macedonian name, as this nation has lived on this territory for centuries, struggled, and finally won its national freedom and uniqueness. To confirm this, the (?questions) of the historic documents were [word indistinct]. The protest ended with the adoption of a charter by which cooperation was offered to all (?neighbors).

According to reports arriving in Skopje today, mass protest gatherings by Macedonians against the EC decision were also held in towns on other continents and in some European countries.